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'60 Group A&S Losses Of 18 Life Insurers Exceeded \$10.5 Million

By ROBERT B. MITCHELL

NEW YORK—Group A&S losses experienced in 1960 by the 18 heaviest losers on this score among the life companies doing business in New York exceeded \$10½ million, a study of the annual statements shows. The figure is \$10,596,000.

The biggest 1960 loss from this source for any individual company was \$1,957,178. Two others had losses exceeding a million, one being \$1,124,396 and the other \$1,262,607.

While a \$10,596,000 loss for 18 companies from a single line of business is not something to bring joy to any of those concerned, it is less half the loss that roughly the same group of companies experienced on group A&S in 1959. That year the figure was \$22,512,000. Incidentally this differs considerably from the \$16,108,752 loss shown for life companies in the New York department report covering 1959. This is because the department figure covers all life companies and balances gains against losses. Thus, if losing companies lost a total of \$25 million and the profiting companies gained a total of \$9 million, the department report would show a \$16 million loss figure.

Big Losers Lost More

Not only was the total loss figure of the losing companies much higher in 1959 than in 1960, but the big losers lost much more than the top losers did in 1960. The biggest loss was \$2,663,583; \$2,652,519; \$2,472,251 and \$2,783,892. Runners up in the \$2 million or more class chalked up losses of \$2,331,113. Losers in the million-dollar class accounted for losses of \$1,997,928; \$1,318,474; \$1,248,602, and \$1,054,144.

For 1958, the heaviest group A&S losers were in the red on this line of business by \$20,506,000. Though the total was less than the succeeding year, the top loss of \$4,570,632 far exceeded anything in that year or the two succeeding years. Runners up in 1958 showed up in the \$2 million category as \$2,868,752 and \$2,213,085. In the \$1 million to \$2 million category there were four: \$1,894,583; \$1,775,872; \$1,236,967, and \$1,156,399.

Jumped In 1957

Losses on group A&S for companies licensed in New York seem to have jumped upward sharply in 1957, judging from the New York department annual statistical reports. Again, it must be remembered that the department totals balance gains against losses. Companies' losses on group A&S exceed their gains by \$6,360,808 in 1951, but got back into line again the next year with \$3,093,976 more gains than losses. In 1953 gains exceeded losses again, this time by \$7,813,316. The next year it was a record that was not exceeded again: Gains topped losses by \$23,749,579.

In 1955 the margin of gains over

losses went down to \$7,134,472 and in 1956 to \$4,963,860. In 1957 the experience went sharply the other way, with losses exceeding gains by \$9,755,611. In 1958 the excess of losses over gains was \$11,695,240.

Various Reasons Suggested

The loss trend has been attributed to a variety of reasons, but mainly to the difficulty of pricing a product in a competitive market and to the fact that the mere existence of the coverage, particularly as respects major medical, exerts a considerable influence on the prices charged by a good many doctors. The rising cost of hospital care, as attested by numerous cries for help from Blue Cross organizations all over the country, has been a major factor.

The lure of huge premium volume has been hard to resist—and still is, although a few companies have said in effect, "We're going to write this business on a basis that will make money or we won't write it at all." It takes real courage to do this, because it is a guaranteed way to lose a lot of business as long as other managements are shaving margins so close that they are practically guaranteeing themselves losses on the group A&S line. One phase of the problem is that the retentions in the big cases mean there is usually no margin as a sweetener of poor experience on the smaller cases. Another factor is the imagined loss of face in losing a big case. But the big case as a status symbol can have the same budget-wrecking effect on a company as the big car as a status symbol can have on a family.

Year-End 1960 Sees 73% Of U. S. Covered By Health Insurance

Some 132 million Americans—73% of the civilian population—had some form of health insurance at the end of 1960, according to Health Insurance Council in reporting the results of its 15th annual survey on the extent of voluntary health insurance coverage in the United States. The survey is based on reports from private insurance companies, Blue Cross-Blue Shield plans and other health insurers.

The council said that both the number of persons covered and the amount of benefits paid reached new records. The number of covered persons increased 4.1 million to a total of 131,962,000. Benefit payments by all health insuring organizations totaled more than \$4.8 billion in 1960, a gain of \$500 million over the 1959 figure. In addition, persons with loss of income coverage received \$839 million in benefits from insurance companies. Thus, a grand total of \$5,688,000,000 in health benefits were distributed in 1960, a

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Eisenhower Honorary AALU Wants Estate Head Of Unit Backed Planners' Rights By Life Companies Better Understood

Former President Eisenhower has agreed to serve as honorary chairman of the Council for Economic Growth and Security, an organization formed in 1959 and working for "national prosperity based on sound, non-inflationary economic principles." It gets the bulk of its support from life companies. Its president is H. Bruce Palmer, president of Mutual Benefit Life, and five other members of its board are life insurance men.

"I feel that our most serious internal problem today is that of adopting long-range policies that will avoid the debasement of our currency and assist in combating every cause of inflation," said Mr. Eisenhower in a letter of acceptance. "In addition to the responsibilities of government and the federal reserve board in this field, I believe that every sector of business and labor should join—indeed that it should become the concern of every private citizen. Because of these convictions and the dedication of your organization to lead in this battle I am honored to accept your invitation."

Eisenhower, Palmer Confer

Mr. Eisenhower and Mr. Palmer met at the former's home in Gettysburg, Pa., last week to discuss the council's "You and Your Dollar" program of public information on basic economic issues. Mr. Palmer said the program would begin with a series of national forums that would first be projected via national media, and then reproduced and developed locally by state and community groups throughout the country. The aim is to make it possible for every citizen to get the facts and make up his mind about

(CONTINUED ON PAGE 21)

Is Interested In Outcome Of Oregon Case Involving Unauthorized Law Practice

WASHINGTON—Assn. for Advanced Life Underwriting is seeking permission to intervene as amicus curiae in a case in Portland, Ore., in which a life agent is alleged to have inadvertently got over the line into the practice of law.

The association has made it clear, however, that it has no intention of defending the unauthorized practice of law but is solely interested in seeing that in curbing such unauthorized practice the courts do not forbid activities that may properly be handled by life agents as part of their estate planning work.

Special Bulletin Sent

A special bulletin sent to AALU members by Silverstein & Sherman, AALU counsel and executive directors, states:

"A matter which may seriously affect the interests of advanced life underwriters throughout the country is crystallizing in Portland, Ore. It concerns an allegation by the Oregon State Bar Assn. that an insurance agent, John H. Miller, and his controlled corporation, Executive Estate Planners Inc., were engaged in the unauthorized practice of law.

"It appears that Mr. Miller approached an individual, John L. Dailey, and offered to plan Mr. Dailey's estate for a fee of \$100. After reviewing Mr. Dailey's estate, which had recently

(CONTINUED ON PAGE 17)



Richard J. Conboy, Manhattan Life of New York general agent at Boston, presents check to Mrs. Mary B. Shaw, 85-year-old Hingham Mass., widow, who did not know of the existence of the policy under which \$2,103 in benefits were due her. The policy was taken out in 1905 by Mrs. Shaw's late husband who died in 1946. He discontinued premiums on his 20-payment policy and, apparently believing it no longer had any

value, failed to notify Manhattan Life when he moved from Weymouth to Hingham some years ago. Recently, Mrs. Shaw received word from a friend that Mr. Shaw's name and former address were listed in a lost policyholder column of a premium notice enclosure mailed to policyholders throughout the country. Mrs. Shaw got in touch with the company's home office and the scene here is the result of her call.

June A Record Month For Republic National

June was Beasley month at Republic National Life and final figures show it to have been the most outstanding sales month in the history of the company in all production divisions.

In the picture, sales executives representing the agency, group, reinsurance and pension divisions, together with the chief officers of the company are reporting to Theo. P. Beasley, founder, chairman and chief executive officer, that sales efforts in honor of his birth month exceeded the month's goal and produced in excess of \$152 million of new business. This record, plus a substantial increase in A&S premiums, will result in an excellent six month report of sales.



Production during June, Beasley Month at Republic National, reached all-time high of \$152 million in exceeding goal set for birth month of Chairman Theodore P. Beasley. A&S sales also increased substantially. Flanking graphic report of sales effort are company executives. From left are Rex Beasley, senior vice-president and vice-chairman; W. N. Stannus, senior vice-president of reinsurance; Allen Cureton, assistant vice-president and director of A&S agencies; Barry Oakes, president; H. R. Hunke, vice-president and agency director; Chairman Beasley; Clarence J. Skelton, executive vice-president; Edward R. Nadalin, assistant vice-president and brokerage director; Lyman E. King, assistant vice-president and agency training director; Del Arneson, vice-president and group operations director; and Leo W. Horswell, vice-president of pension division.

Institute Reports That Business Life Sales More Than Tripled In 10 Years

The amount of life insurance purchased for business purposes has more than tripled in the United States during the past decade, according to Institute of Life Insurance.

During 1960, business firms bought about \$5 billion of life insurance to protect themselves against financial losses that might result from the death of key personnel. Some life companies report that business policies accounted for as much as 20% to 25% of their new ordinary life sales last year. Total business life in force in the U. S. at the end of 1960 was between \$30 billion and \$35 billion. This upward trend has been especially noticeable among medium-size corporations, where the death of an owner, officer, manager, technical expert or even a shop foreman is likely to be felt more keenly than in larger enterprises.

Stock Purchase

For example, last year an advertising agency in a midwestern city purchased a \$50,000 policy on the life of its general manager, who also owned 38% of the firm's stock. When he was killed in an airplane crash several months later, the policy not only indemnified the firm against the loss of his technical knowledge but also helped to repurchase his stock from his family.

There are many cases of smaller firms which probably would have had to be liquidated following the death of an owner or partner, were it not for the existence of business life insurance.

Use Proceeds For Buy-Out

As another case in point, two partners in a general contracting business in a small western community began 10 years ago to take out insurance on each other's lives. Both of them agreed in advance that, in case either should die, the surviving partner would use the policy proceeds to buy out the other. The firm's main activity was transporting heavy drilling equipment

to oil fields. One partner did almost all the outside work, while the other handled all the office routine and kept the books. Last February, when the inside partner died following a surgical operation, his share of the business was purchased by the other partner with the help of \$40,000 in death payments from a business life policy.

Used By Non-Profit Set-Ups

Non-profit and non-business organizations also sometimes purchase life insurance policies on key executives—particularly where personal talents are vital to important, long-term projects. For example, the popular and widely-known minister of a church in a large southwestern city had dreamed of building a \$250,000 youth center for his community. When the minister was killed in a plane crash last year, the youth center might never have been built—except for a \$400,000 insurance policy that his foresighted congregation had taken out on his life.

The use of business life insurance has been on the rise among virtually all types and sizes of enterprises. One of the largest recent life insurance benefit payments resulted from the death of the founder and principal stockholder in a major midwestern and southern credit company.

Averted Financial Crisis

The company had begun buying insurance on his life 10 years ago and had increased its coverage to a total of more than \$1.3 million at the time of his death. This insurance helped avert a financial crisis for the firm, which has some 70 offices in seven different states.

Another midwestern firm, a small printing shop with only four employees, was owned jointly by its president and his son. The president spent about 90% of his time as a working printer in the press room. The son served as vice-president and secretary, and handled most of the firm's sales and adminis-

trative affairs. The two of them decided to take out life insurance to protect the firm against the loss of either man's services and to provide cash to repurchase either's stock in case of death. Ten days after a \$10,000 policy was issued on the father's life, he died in his sleep of a heart attack.

Lawmakers Hard On Cash Sickness Bills This Year; All Fail

Having disposed of 10 compulsory cash sickness bills introduced in eight states, Insurance Economics Society concluded another successful legislative season in which 47 state assemblies convened.

For the first time, bills were introduced in Missouri and North Dakota. In both states legislative committee hearings were held at which the society took a leading part in opposition.

There was considerable pressure from labor groups for legislation in Missouri, but after two committee hearings, the bill died in committee.

Gov. Guy of North Dakota favored a compulsory plan. After the senate hearing committee killed the bill, an attempt was made on the senate floor to override the committee action, but it proved futile.

Two bills were introduced in Hawaii, one being killed in the house and the other dying in committee. A legislative couplet met a similar fate in Massachusetts where one measure was rejected by the hearing committee and a second died in committee. In addition, bills failed to get out of committee in Illinois, Michigan, Nevada and Minnesota.

288 Agent Winners Of A&S Persistency Award

The health insurance persistency award sponsored by NALU, International Assn. of Health Underwriters and LIAMA has been awarded to 288 applicants, 214 of whom were NALU members and the balance from IAHU. This is the second year the award has been given.

Award certificates are being presented to qualifiers through either of the two sponsoring agent organizations and pocket cards are being sent to the companies by LIAMA for transmission to the winners.

To win the 1961 award each qualifier was required to have a minimum of \$2,500 of annualized new health insurance premiums on at least 18 policy contracts in both 1960 and 1961. At least 85% of the amount exposed in the two year period had to be in force on Dec. 31, 1960. A qualifier must also be a member of one or both of the sponsoring agents' organizations.

Senate Unit Will Consider Changes In Disclosure Act

Senator Pat McNamara of Michigan has scheduled hearings before the Senate subcommittee on labor on proposed amendments to the welfare and pension plans disclosure act. The hearings will be held July 24-26.

Senator McNamara said, in announcing the dates, "In 1958 the Senate passed a welfare and pension plans disclosure act that would have guaranteed protection from abuses to all parties to such plans. Unfortunately, this legislation was substantially modified during subsequent legislative action and the law as it now stands is rather meaningless."

LOMA SURVEY:

Illnesses, Absences In Life Companies On Decline In 1960

Life company illness-absence rates generally improved in 1960, according to a report, "Illness-Absences and Separations in 168 Home Offices During 1960," published by Life Office Management Assn. The report surveyed the attendance record of more than 100,000 employees (some 75% of whom are females) in LOMA member life companies.

The report showed that the average absence rate for men—1.43 absences—decreased more than 17% from the 1959 high (one absence is defined as encompassing the full duration of an absence regardless of the number of days involved).

Similarly, the days lost figure for men dropped to an average of 3.32 days in 1960, a decrease of about 16% from the 1959 rate of 4.05 days.

Females Not Keeping Pace

The percentage reduction in absentee rates among female employees, however, did not keep pace with those of the men. In number of absences and also in number of days absent, the female absentee rates improved only about 2%. On the other hand, the report pointed out, the present rates for female employees are the lowest in the last five years.

Turnover rate figures among the reporting companies showed that separation rates were lower for men and higher among female employees.

This year's survey contained a new question regarding the extent of paid non-illness-absences other than vacations, holidays and earned days off. Generally, women had more absences of this type than did men. Another new question asked if companies paid for illness-absences of new employees from date of employment. Almost half of the participating companies said that they did. Some of the smaller companies attached conditions to this benefit.

Looked At Labor Market

The survey also appraised labor market conditions during 1960. Poor business conditions and a rise in unemployment resulted in a generally easier labor market in 1960 than in 1959. However, many companies reported a decrease in the quality of job applicants, although they found an increase in the quantity.

In forecasting the labor market for the rest of 1961, many respondents in the survey anticipated little change.

This year, for the first time in the survey's eight-year history, all LOMA member companies were invited to participate in the annual survey. As a result, the survey included data from 168 companies, as against 71 last year. Of these 168, 34 companies have taken part continuously since the survey started.

Plan American Preferred-Southern Christian Combine

Plans to merge American Preferred Life, organized about a year ago in Memphis, with Southern Christian Life of Oklahoma City, a four-year-old company, have been approved by both companies' boards. The proposed deal would result in a company with \$44 million of insurance in force.

The Equitable Life of Jeff Shor in New York

Jeff Shor, right, demonstrates with large-mouth bass and pike that he is a successful producer even when vacationing. In New York he has led production at the Maxwell M. Shaf-fan Agency for 12 out of 16 years. Companions are Moe Zweibel and Irving Edelman.



Milk run: Jeff calls on clients at Holland Farms, Inc. L. to r.: Julius Bagdan, President; Sydney Bagdan, Secretary; and Frohman Holland, Treasurer. Jeff began his insurance career as an office clerk in 1934, turned to full-time selling a decade later. Last year he led all Equitable agents in pension trust business.



The family gathers at the Shor home in Great Neck Estates, Long Island. The idea was to celebrate son-in-law Leonard Nedlin's release from the Army Tank Corps, but son Aaron Louis, insisted on a checker game, too. L. to r.: Leonard Nedlin, daughter Radie Lee Nedlin, Jeff, wife Belle, Aaron, and daughter Gail Lois.



Jeff planned buy and sell insurance for Sea Isle Sportswear, Inc.—which helped when one of the three owners died. Above, Leo Friedland, Secretary; Charles Beer, President. Sea Isle also has an Equitable Pension Trust for its employees.



Organized generosity: Jeff, a Mason, helped found the philanthropic Truth Lodge Foundation, Inc. Above directors are, standing: Laurence Pollock, Irving Greenspun, and Herman Miller. Seated: Jeff, the first and only President of the 10-year-old organization, Sidney Gerson, Henry Kahn, Max Shor (Jeff's brother), and George Lipton.

A Man's Prestige somehow goes hand in hand with the prestige of the company he represents. This is why Jeff is proud to be a life underwriter for Equitable. It's a full life. And a rewarding one. **Living Insurance is more than a need . . . it's a career!**

THE EQUITABLE

Life Assurance Society of the United States
Home Office: New York, N. Y. ©1961

\$610 Billion Life In Force By June 30, Institute Estimates

Life companies in the U. S. at the 1961 half-way mark were insuring a record number of families for higher amounts of coverage and paying out more benefits than ever before, Institute of Life Insurance reports.

Ownership of life insurance by American families passed the \$600 billion figure during the first half of 1961, and as of June 30 was estimated to have reached \$610 billion, an increase of \$24 billion since the start of the year and the largest six-month gain in life insurance history.

"American families are raising their insurance sights," said Holgar J. Johnson, president of the institute. "Currently, insured families account for a large share of the new insurance purchases as they more adequately meet increased responsibilities and changing conditions by adding to their life insurance programs. In view of this, planning and coordinating additions to family life insurance have become major undertakings of the life insurance agents."

Average Family Has \$13,000

The individual insured family on the average owns about \$13,000 of life insurance. In the first half of the year, American families purchased a record \$38.8 billion of ordinary, group and industrial life insurance, about 10% over the amount purchased in the same period in 1960 and a higher amount than the total purchases during the whole of 1953.

About two-thirds of the new purchases were ordinary insurance, esti-

mated at \$26.2 billion, some 2% more than the ordinary amount purchased during the first six months of 1960. Group life, with an estimated \$9 billion in sales for the first half, was about 40% ahead of the same period in 1960, a year in which a new record for group sales was set.

Benefit Payments A Record

Benefit payments from life policies and annuities are estimated to have reached a new high of \$4,255,000,000, up \$200,000,000 over the six-month period last year. Nearly 60% of the total represented living benefits to policyholders and annuitants.

Total new funds made available by life companies for investments during the first half of 1961 were estimated at \$3.2 billion. Reinvestments during the first six months are estimated at \$7 billion, bringing total investment acquisitions for the first half of the year to \$10.2 billion. This increase in assets brought the 1961 six-month aggregate to an estimated \$122,950,000,000, about \$6.6 billion more than the mid-year 1960 total.

Craftsman Life Introduces Disability Income Policy

Craftsman Life has introduced the first in a series of non-cancellable health insurance policies. The first one is a non-can to age 65 disability income plan with base coverage for three years, but which can be extended to cover lifetime disability. A hospital indemnity plan may be added to the

base plan.

The accidental death and dismemberment feature of the policy carries a \$25,000 maximum, which doubles in case of specified travel accidents. The policy is incontestable after two years, has a waiver of premium provision, is non-aggregate, and confining sickness is not required.

Bankers Life Of Ia. Has Successful June President's Campaign

Bankers Life of Des Moines reports a production of \$43,667,633 of written and paid-for ordinary life insurance during its June president's month campaign.

Enough of this written business reached the home office in time to result in a regular annual statement issued and paid-for ordinary production for June of \$24,680,185. Group production for the month amounted to \$21,266,858, for a month's total of \$45,947,043, representing an increase of more than 15% over last year.

New business issued and paid-for for the first six months of 1961 totaled \$195,014,568. Of this amount \$131,695,700 was ordinary insurance and \$63,318,868 group insurance.

Reaches New High

Total life insurance in force reached a new high of \$3,808,417,167 by the end of June. Of this total \$2,115,468,534 was ordinary, and \$1,692,948,633 group.

John M. Jones Jr., San Antonio, wrote the highest volume of qualifying business during the campaign. He wrote a total of \$605,000 to lead the entire field force. James Myers Jr., Philadelphia, was the created premium leader for the campaign, showing a margin of nearly \$2,000 over the next salesman.

Others listed among the leading 10 salesmen (in order of finish) in written volume were Bob Gallivan, St. Paul; Henry T. Offterdinger, Washington, D. C.; John A. Crandell, Des Moines; Harold Van Every, Minneapolis; H. M. Vondrak, Lincoln, Neb.; William F. Boldman, Spokane; Otto A. Stark, Denver; Johnny Carpenter, Houston; and John H. Cruise, Ottumwa.

General American Has Disability Income Plan

General American has introduced a new disability income policy that is non-cancellable and guaranteed renewable to age 65. The new policy is designed to supplement existing group insurance or sick-leave plans and flexibility is accomplished through an extended total disability rider.

An example: A prospect who wants to assure himself \$400 of monthly income in case of total disability may have a sick-leave plan which would pay \$300 for six months, and then nothing. Under the new disability income policy, he may obtain coverage providing \$100 for the first six months and \$400 thereafter.

The policy is also available with a rider providing for life-time payment of benefits for accidents. It offers prospects a choice of waiting periods, amounts of benefits and periods for which benefits will be payable. The policy is participating, and house confinement is not required.

Donald W. Garner, Jerry City, led all representatives of Gleaner Life of Michigan for the first six months.

NQA Qualifiers Tell San Antonio Agents Rx For Persistency

A panel of national quality award qualifiers recited reasons for their long record of high persistency at the July meeting of San Antonio Assn. of Life Underwriters. Robert S. Hemmick, Massachusetts Mutual, association president, moderated the panel.

W. J. Schnabel, Jefferson Standard Life, NQA qualifier for 16 years, whose current persistency on \$600,000 paid business is 97.6%, said that the business must be sold on the right basis and that the agent should make a friend of the buyer. He stressed the importance of personal delivery of the policy along with an explanation of what the policy can do for the purchaser.

The policyholder should be told that he can borrow on the policy but that he should repay the loan, Mr. Schnabel said, explaining that he secures post-dated checks for repayment.

Keep In Touch

He recommended that the agent keep in touch with his policyholder so that he will recognize the agent's interest in his welfare. "To have persistency, you must be persistent," he declared. "If the policyholder wants a policy changed, change it. Do things which he wants you to do."

Reminding his listeners that life insurance is not in effect until paid for, Kennedy Dodds, Union Central Life, said that almost always he has secured the check with the application. He explained that he attaches a blank check to each app, and at the close asks the applicant whether he wishes to sign the check or prefers one of his own.

He advised letting the policyholder know that he is considered a quality buyer and that the company is proud of such business.

Albert Alyn, Prudential, stated that he selects prospects among business and professional people who have needs and who are able to pay. He said he does not accept an application without cash settlement.

In response to questions by Mr. Hemmick, Mr. Dodds replied that persistence of business means less hard work and pointed out that it is smart to write business that stays.

Paul R. Hudek has joined Arthur Stedry Hansen, consulting actuaries, Chicago. Mr. Hudek, who is a fellow of Society of Actuaries, was formerly with Minnesota Mutual Life.



TRAPPED?

No insurance agent can reach his full earning potential when he's trapped by strict limits on the insurance he can write. LACOP representatives are never trapped. LACOP combines sound insurance procedures with enough flexibility to meet new and challenging situations . . . provides our agents with sales opportunities that are almost unlimited. The result is more money now . . . a far brighter future.

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PROVIDENT MUTUAL LIFE INSURANCE COMPANY OF PHILADELPHIA

Conn. Insurer Employees Are Civic Minded

Insurance Information Office of Connecticut has concluded a study on the extent of participation in civic affairs by home office employees of insurers in the state. These employees total approximately 22,000 of whom 75% responded to the survey. Discounting younger employees with little experience, the study based its findings on 12,500 workers who were found to be contributing 566,601 hours a year in a variety of volunteer activities.

The insurance workers gave 53,549 hours to social, family and welfare organizations. Their efforts helped keep research going on cancer, heart disease, multiple sclerosis and many other diseases. They sat on boards which directed the activities of hospitals. They served in rehabilitation workshops. They pushed for equality of all peoples through associations of ethnic groups.

The insurance men and women gave

up 9,807 hours to PTA activities. They also gave 10,481 hours to alumni groups, in an effort to support the educational institutions from which they had been graduated. They contributed 17,594 unpaid hours to assist opera, choral groups and symphony societies and another 16,083 hours helping music festivals, theater groups and art galleries.

A total of 12,309 hours was used by the insurance people in beneficial work by fraternal organizations, and another 6,440 hours in work of service clubs. A total of 14,477 additional

hours went to chamber of commerce efforts.

Insurance people helped run the state through service in the legislature. In all, the 12,500 workers spent more than 40,000 hours in municipal and state government. They also put in 27,623 hours in political organization affairs.

In active work for their churches or synagogues—not simply attending services—the insurance workers donated 175,157 hours of their time.

30 Life Insurance Men To Attend Columbia's Population Trend Meet

Some 30 life company and association officials will be attending the conference on American population trends which will be conducted by the Columbia University graduate school of business at Arden House, Harriman, N. Y., Oct. 1-3. A like number of social scientists from U. S. colleges and universities will also be at the conference which is being jointly sponsored by the graduate school and Institute of Life Insurance.

Purpose of the conference is to bring the two groups together for an exchange of ideas, to enrich their perspectives on the subject of population trends, and to perhaps even identify for both fields where further research is needed.

The conference is under the direction of Courtney C. Brown, dean of the graduate school, and Hoke Simpson, the school's director of executive programs. Holgar J. Johnson, president of Institute of Life Insurance, Blake T. Newton Jr., executive vice-president, Harlan B. Miller, director of the institute's educational division, took part in planning the conference.

No. Am. Life, Chicago, Has A Record June

North American Life of Chicago reports June individual life volume sales totaled \$10,869,316, a single month peak record. This exceeded the total of June, 1960, by nearly 42%. June's individual life applications were up this year by more than 15%.

North American's volume sales for the first six months of 1961 reached \$50,877,571, establishing a new high. This record exceeded North American's life volume sales for the same months of 1960 by more than 11%.

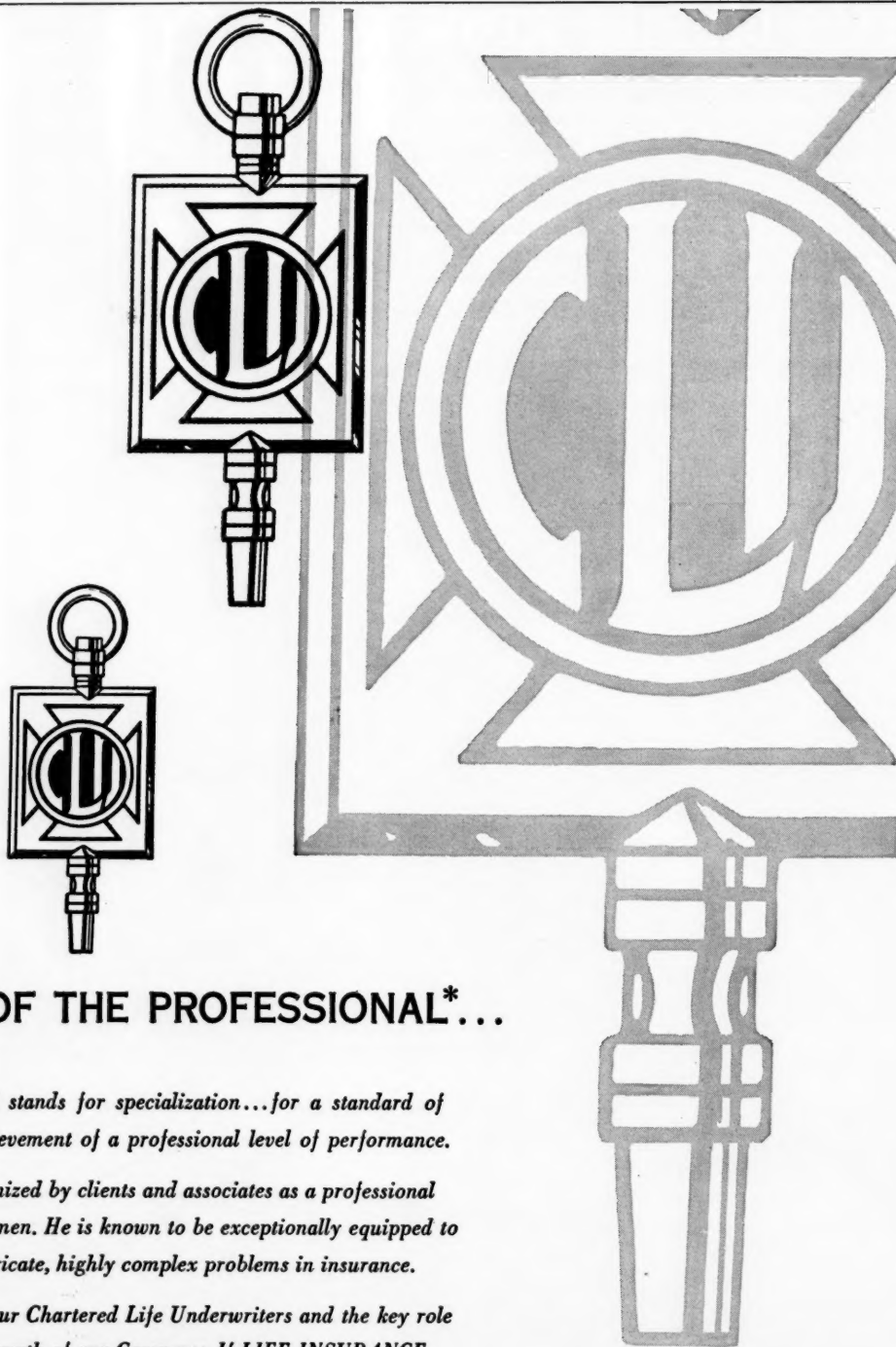
Health insurance premium sales during the first six months of 1961 experienced an increase of nearly 11% over the same months of 1960. Health insurance applications were up better than 21% for the same period.

Confederation Liberalizes Family Plan Coverage

Confederation Life has removed the restriction on the number of children eligible for maximum term coverage under the family policy. Formerly, under a typical \$10,000 policy, \$2,000 temporary insurance was placed on the life of each child, subject to an overall maximum of \$10,000, which was pro rated if there were more than five children. The restriction is also removed from existing contracts. There is no increase in premium rates.

Passes \$100 Million Group Mark

Little more than two years after entering the group field, Western Life of Helena passed the \$100 million mark in group life in force. In force total at the end of May was \$100,743,883.



BADGE OF THE PROFESSIONAL*

The CLU symbol stands for specialization...for a standard of service...the achievement of a professional level of performance.

The CLU is recognized by clients and associates as a professional among insurance men. He is known to be exceptionally equipped to counsel on the intricate, highly complex problems in insurance.

We are proud of our Chartered Life Underwriters and the key role they play in the growth of our Company. If LIFE INSURANCE is your business, we urge you to sign up for CLU... as soon as you can!

**...says the dictionary, "engaged in one of the learned professions...a professional man."*

SECURITY MUTUAL LIFE INSURANCE COMPANY OF NEW YORK

Richard E. Pille, President.

Robert M. Best, C.L.U.
Vice President—Agencies.



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Opportunities In Corporate Planning Discussed By Accountant And 2 Agents

Opportunities in corporate planning were discussed at a workshop session of the Million Dollar Round Table annual meeting in Bal Harbour, Fla., by David B. Chase, accountant and senior partner in J. K. Lasser & Co., Alfred S. Howes, Connecticut Mutual Life, and Leo P. Mirsky, New England Life, all of New York City. Howard D. Goldman, Northwestern Mutual Life, Richmond, a past chairman of the MDRT, was moderator.

Mr. Chase made a number of suggestions for the organization, operation and eventual disposition of a business in a manner calculated to provide liquidity or a bail-out of funds for the privately and closely owned corporate business. In designing the capital structure of a new corporation so that it may be helpful in later years to cash in a portion of the original investment, Mr. Chase mentioned the danger in having too much debt as part of the capital structure. Preferred stock should be considered, this being probably the only time that preferred stock would not be regarded as "section 306" stock.

When acquiring a new business it may be best, said Mr. Chase, to buy assets rather than outstanding capital stock. Here it may be possible to have several corporations, resulting in a lower over-all tax rate, and if it is not done at this time it may not be possible later. The lower corporate tax rate advantages in multiple corporations would not be available if a corporation split its operating assets into several corporations. However, one can have multiple corporations by having separate corporations purchase separate assets from the selling company.

Uses 'Liquidator Corporation'

Use of "liquidator corporations" is another possibility. These corporations would be owned by the individual stockholders and would carry on some "parasitical" inter-company activity, but would be in a position to be liquidated at some later date without in any way damaging the good will of the main operating corporation.

Mr. Howes said a life agent, in computing the value for which a key-man should be insured, should use the same basis as in personal programing, though this might be quite different from the usual accounting practice. For example, a plant superintendent is responsible for converting raw materials to finished goods. Each 46 days he turns out the equivalent of \$375,000 in sales. If it would take six months to replace him, the cost to the corporation would be \$396,000. Proper programing would require the management to determine the number of days it would probably take to find a replacement and to insure on that basis.

Or take the corporation's treasurer, the man responsible for making sure the accounts receivable are collected on time. Sales are at the rate of about \$250,000 a month, and the company maintains \$90,000 of cash, which will provide operating funds for 11 days. The corporation will be forced to borrow—if it can obtain a loan—unless it collects substantially all of its accounts receivable when due. This would indi-

cate that if the company were behind in its collections by one month it would require loans of about \$200,000 to take up the slack. If this occurred regularly it would cost the corporation an additional \$12,000 a year in interest—assuming it could obtain the loan.

The human life value of the treasurer, therefore, is \$12,000 a year until he is replaced, plus the amount of dollars that would be required by the cor-

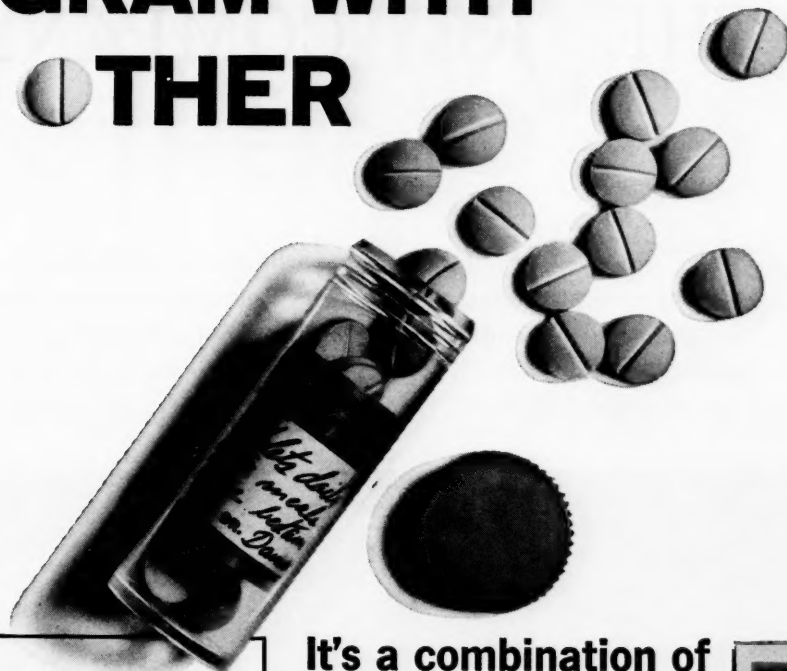
poration in the event of his death so as to avoid the requirement of making the loan, and to repay. A program basis for the life insurance, therefore, would be \$12,000, plus the amount of funds required until the corporation could get a good collections man. For example, assume that the corporation management determined that three-fourths of the accounts receivable would be collected without personal attention of the treasurer. The balance, or 25% of \$250,000 would be \$62,500. Therefore, the human life value that should be insured would be \$12,000 plus \$62,500.

The same type of analysis could be made for the other key executives, said Mr. Howes. If the business were a seasonal one, so that the corporation sold a higher percentage of its business in a certain season, there would be the need to determine the value of the man who would produce the capital by means of loans while the corporation was building up its inventories for the peak of the season.

Discussing the integration of employee benefit plans with estate planning, Mr. Mirsky said this is a two-way street: To attempt the planning of an estate

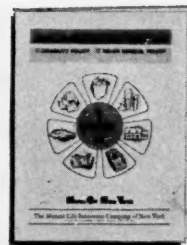
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this question in his monthly insurance letter.

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"Even in a well established, going concern, there is a limit to the ratio of new business to renewal business which a company may have without experiencing a reduction in surplus. While this ratio may vary somewhat,

depending upon the form of policies written, normally where new business is more than 25% of renewal business, surplus will decrease. Now this fact limits the rate of growth of the new company unless there are frequent contributions of surplus by stockholders.

Early Years Are Unprofitable

"Let us take a new company that starts out writing at the rate of \$1 million a month. This amount is about the least production that would justify the home office plant necessary to process any business.

"The first year all expenses must come out of surplus. The second year there is perhaps \$8 million of renewals, the third year \$15 million and the fourth year \$21 million renewals. It will be the eighth or ninth year at the very best before there is the \$40 million of renewal business to finance the \$10 million of new business being written. All this time, surplus has been decreasing and in most cases it will be gone unless new contributions are made.

"Now a flat \$10 million a year of new business is unrealistic. Normally new business increases each year and that merely adds to the problems that surplus will be spent faster and it will be many more years before there is enough renewal business in force to take care of the cost of writing new business.

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On the other hand, Lloyd M. Bentsen Jr., president, Lincoln Liberty Life of Lincoln, Neb., has another idea:

"The best time to buy a life stock is just after the company has arrived. There are many criteria for this arrival—a net gain from operations, \$100 million insurance in force, aggressive management, and at least 10% growth factor . . . Timing is probably more important in the purchase of life stock than any other. . . ."

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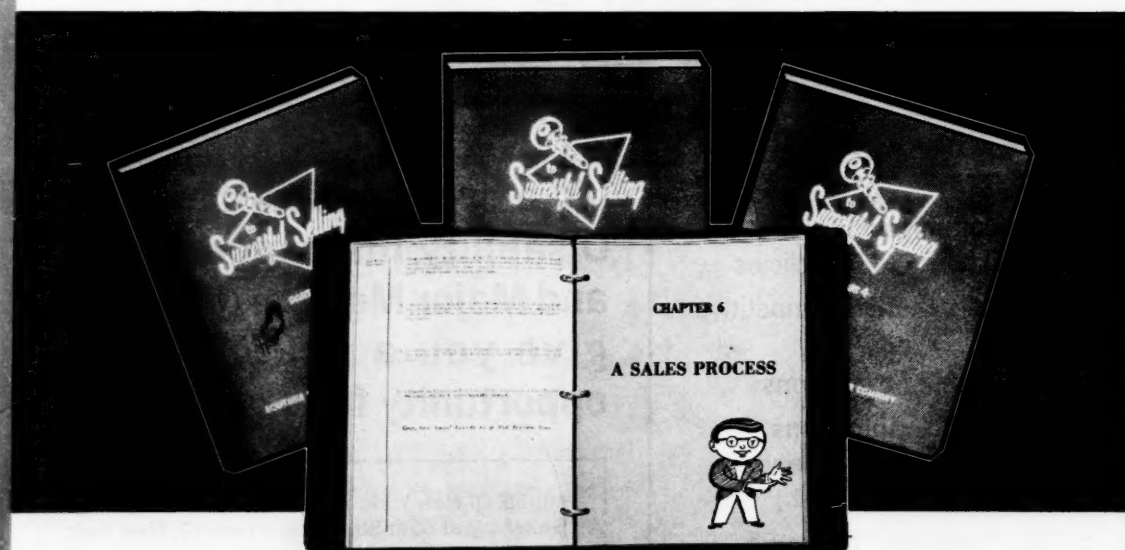
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Equitable Life of Iowa

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"With all our need for hard work and for study in connection with our business, I contend that we will live more satisfying lives, and probably do more business, if we will make the effort to develop interests outside our business," he said.

Giving examples of prominent men with notable outside interests, Mr. Burroughs said: "You men are leaders, and your clients and prospects include leaders in many fields. If we will set examples ourselves in these respects, others will follow. So I will leave with each of you this thought: If you haven't already done it, develop one or two worthwhile interests which will never produce direct commissions but will add greatly to your satisfactions in life."

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Member of Continental-National Group
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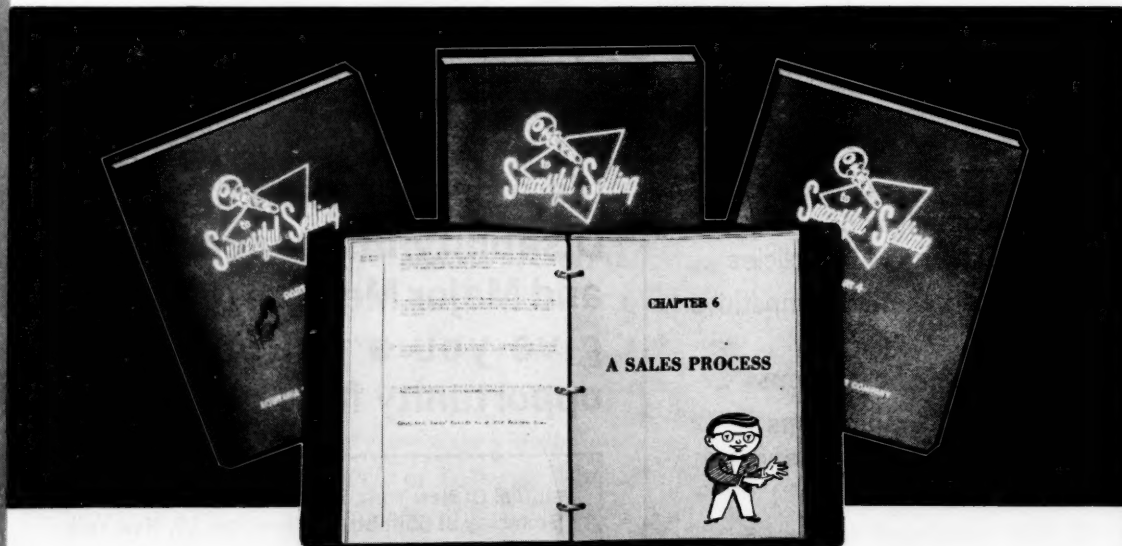
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Insurance Plan Protects English Mutual Fund Buyers Against Loss

Announcement: "If Falcon Trust shares rise, you gain. If you retain the shares for 10 years, you are guaranteed against loss."

The time: Sunday, April 30, 1961.
The place: A half page advertisement in the Observer, a conservative daily newspaper in London, England. The

sponsor: Unicorn Securities and its guarantor against loss, the London & Edinburgh Ins. Co. The inspiration: George J. Stewart, chief officer of all Stewart, Smith insurance enterprises in London, the United States and Canada, and of the London & Edinburgh, which in 1957 created a sensation in

the London market with its endowment variable insurance that has a guaranteed floor but no ceiling, exclusively reported in the United States in THE NATIONAL UNDERWRITER of Oct. 21 1960.

"Now for the first time," says Falcon Trust, "you can buy unit trust shares (mutual funds) that can make you a profit at any time from the moment you buy them, but that cannot cause you a loss if you hold them for the stipulated 10-year period."

The Falcon Trust offer, made in page length, three columns wide advertisement in one of London's leading news-

papers, brought different reactions from different groups of people. From the general public in three days it brought subscriptions for 4 million shares in response to the 2 million shares offered.

Financial Writers Comment

From some financial writers and British insurance company executives it brought comments ranging from doubts about the soundness of the plan to hints that, even if it were sound, it was just a gimmick to attract shillings and pence to Falcon Trust.

Falcon Trust is a little more than one year old, having been organized on Jan. 11, 1960, for an authorized initial term of 20 years. Prior to the current offer it had 30 million shares outstanding, with assets exceeding £7 million (U.S. \$20 million).

2 Million More Shares Offered

On April 30, 1961, Falcon Trust offered 2 million additional shares at a price of 5s. 4d. (U.S. 75 cents) per share without guarantee against loss, or the same price plus 3d. (U.S. 3½ cents) per share for the addition of the guarantee, at the buyer's choice. The 3d. was paid to the London & Edinburgh for insurance guaranteeing that Falcon Trust would, on April 30, 1971, offer to repurchase the shares at the price for which they were bought, 5s. 4d.

What If Original Buyer Sells?

If the original buyer elects to pay the 3d. guarantee premium per share, he does so on the understanding that the guarantee is not transferable. He can make a profit on his shares by selling them in the open market if there is a rise, but whoever buys them from him does not acquire the guarantee that covered the original purchase from Falcon Trust. Nor can any subsequent buyer of the shares secure a similar insurance from Falcon Trust. Thus, if the original buyer of the shares sells them at any time during the 10-year period, this action terminates the insurance altogether.

The estimated gross yield on Falcon Trust shares is at the rate of (£4 16s. 9d.) 4.84%. Purchases must be

(CONTINUED ON PAGE 16)

A Salute to our National Quality Award KEYMEN

These one hundred proud Keymen agents listed here earned the National Quality Award for 1960. These men and women join the many Kansas City Life Agents who have held this distinguished honor since the inception of the award in 1943.

Agent	City	No. of Years	Agent	City	No. of Years
Zeb A. Moore.....	Amarillo, Texas	17	Leonard M. Sproul.....	Salt Lake City, Utah	8
H. M. Alton.....	Phoenix, Arizona	16	Ray P. Cornelius.....	Kansas City, Kansas	7
M. Jack Long.....	Long Beach California	16	S. Bryan Dickson.....	San Angelo, Texas	7
Louis Matusoff.....	Dayton, Ohio	16	C. E. Evans.....	Lawton, Oklahoma	7
Bert R. Reed.....	Oklahoma City, Oklahoma	16	Harold S. Fennema.....	Kansas City, Kansas	7
T. Guy Spencer.....	Oklahoma City, Oklahoma	16	Paul E. Shirk.....	Columbus, Ohio	7
Clyde H. Thornton.....	Ponca City, Oklahoma	16	Lloyd I. Turner.....	Houston, Texas	7
C. R. Anderson.....	Kansas City, Missouri	15	John A. Utz.....	Valencia, Pennsylvania	7
Ben Epstein.....	Houston, Texas	15	Bryan Waid.....	Lawton, Oklahoma	7
Stanley M. Hall.....	North Platte, Nebraska	15	Laurence N. Woods.....	Sheridan, Wyoming	7
Dan G. Jackson.....	Shawnee Mission, Kansas	15	Clarence B. Zeikle.....	Independence, Missouri	7
Lester L. Shaw.....	Macksville, Kansas	15	Leland B. Holroyd.....	Winfield, Kansas	6
John E. Weis.....	Mission, Kansas	15	C. L. Ledbetter.....	El Reno, Oklahoma	6
Jack B. Williams.....	Tonkawa, Oklahoma	15	Frank C. Brungardt.....	Victoria, Kansas	5
Ray Lowry.....	Springfield, Missouri	14	Archie D. Ellis.....	Centralia, Missouri	5
Max Silberg.....	Oklahoma City, Oklahoma	14	W. N. McCrory.....	Mound City, Missouri	5
Frank I. Steger.....	Phoenix, Arizona	14	Warner W. Schlieman.....	Colorado Springs, Colorado	5
D. L. Stitt.....	Oklahoma City, Oklahoma	14	William T. Setchfield.....	Las Animas, Colorado	5
Horace R. Allison.....	Carthage, Texas	13	Verne N. Barnes.....	Little Rock, Arkansas	4
J. D. Caulfield.....	Salt Lake City, Utah	13	John T. Billingsley.....	Lockwood, Missouri	4
C. Ted Jones.....	Spokane, Washington	13	Fred E. Colwell.....	Lansing, Michigan	4
H. N. Lindley.....	Richmond, Missouri	13	Ted E. Graber.....	Tucson, Arizona	4
Tyler Weltmer.....	Omaha, Nebraska	13	F. P. Kinder, Jr.....	Yakima, Washington	4
B. C. Altman.....	Kansas City, Missouri	12	Clarence W. Weakly.....	Shelbyville, Illinois	4
David H. Bridges.....	Oklahoma City, Oklahoma	12	William F. Bowers.....	Minneapolis, Minnesota	3
Kenneth M. Colston.....	Kansas City, Missouri	12	Roy T. Brooks.....	Warrington, Florida	3
M. Wesley Douglas.....	Phoenix, Arizona	12	L. M. Aaberg.....	Great Falls, Montana	2
Charles F. Fox.....	Charleston, West Virginia	12	Francis M. Baird.....	New Madrid, Missouri	2
Masuji Fujii.....	Oakland, California	12	James T. Barnes.....	Little Rock, Arkansas	2
M. R. Smith, Jr.....	Belton, Missouri	12	Homer E. Barnett.....	Eldorado Springs, Missouri	2
Mrs. Mary F. Dalton.....	Seattle, Washington	11	Allen J. Becker.....	Houston, Texas	2
O. E. Durham.....	Okeene, Oklahoma	11	L. L. Caldwell.....	Kansas City, Missouri	2
Hedwig L. Eichenberg.....	Kansas City, Missouri	11	Edward L. Duplantier.....	New Orleans, Louisiana	2
Edmund G. Grant.....	Columbia, South Carolina	11	Wallace G. Evans.....	Georgetown, Texas	2
W. L. McPherrin.....	Kansas City, Missouri	11	Charles T. Hocking.....	Mitchell, South Dakota	2
Edward H. Stephens.....	Oakland, California	11	Jerry James.....	Oklahoma City, Oklahoma	2
Eugene G. Hansen.....	Corvallis, Oregon	11	Conrad E. Jarman.....	Salt Lake City, Utah	2
John A. Hertvik.....	Cleveland, Ohio	10	Mrs. Lillian K. Klein.....	Chicago, Illinois	2
Philip A. Hoche.....	Orlando, Florida	10	J. Newton McMichael.....	Liberal, Kansas	2
Earl A. Jackson.....	Phoenix, Arizona	10	Ernest A. Rowe.....	Broomfield, Colorado	2
Grady S. McCarter, Jr.....	Shreveport, Louisiana	10	Robert J. Stinson.....	Kansas City, Missouri	2
J. C. Moore.....	Jackson, Mississippi	10	Stanley H. Wasser.....	Coral Gables, Florida	2
Kenneth E. Anderson.....	Sterling, Colorado	9	Robert E. Bates.....	Okemos, Michigan	1
Frank Bertram.....	Bloomington, Illinois	9	Norman O. Chaney.....	Cassville, Missouri	1
Sig Osier.....	Kansas City, Missouri	9	James E. Doyle, Jr.....	North Platte, Nebraska	1
Thomas W. Wheeler.....	Oklahoma City, Oklahoma	9	Richard E. Grob.....	Columbus, Ohio	1
Fred L. Wright.....	Kansas City, Kansas	9	Donnan R. Harrison, Jr.....	Eldon, Missouri	1
Edwin E. Brown.....	Cincinnati, Ohio	8	Maynard W. Helms.....	Oklahoma City, Oklahoma	1
B. C. Carter.....	Portland, Oregon	8	Vernon L. Holm.....	Chicago, Illinois	1
Marion W. Snyder.....	Richmond, Indiana	8	Jarrald A. Jamison.....	Arvada, Colorado	1



KANSAS CITY LIFE INSURANCE COMPANY

Home Office / Broadway at Armour / Kansas City, Missouri

Represented in 41 States and the District of Columbia

Franklin Offers New Plan For Young MDs

Franklin Life is introducing a new concept of marketing life insurance in medical and professional centers. The service will be provided by a new professional development department under the direction of R. K. Hunter.

The new program, known as the professional estate provider, is designed to allow the young professional to purchase permanent life insurance while still in school or training. The plan is available to all medical, dental and allied professional juniors, seniors, internists, residents and young practicing professionals. It is an increasing benefit whole life plan and enables the young professional to own a permanent life insurance program with no premium or interest payments during the first three years.

Mr. Hunter joined the Franklin home office staff as director of the new department after serving as manager in Memphis for Pacific Mutual. His insurance career began while he was a student at the University of Mississippi. Following graduation in 1957, he entered the field full time. He gained nationwide publicity in 1958 by successfully completing all five CLU exams at the same time. He will establish for Franklin a separate unit of field men in every medical center in the country, especially trained and equipped to handle this market.

VETERAN MDRT QUALIFIER GIVES FORMULA

Sells Millions By Sticking To His Carefully Laid Out Track

The highly detailed plan of organized activities that has helped him qualify



Ron Stever

for the Million Dollar Round Table for 26 consecutive years was shared by Ron Stever, Equitable Society, Los Angeles, with his fellow MDRT members attending the annual meeting in Bal Harbour, Fla. The closing speaker of the meeting, Mr. Stever combined these detailed success pointers with an inspirational valedictory. He is a past chairman of the Round Table.

Explaining that his production pattern is an action plan based on five fundamentals, Mr. Stever said: "They were valid and effective when I worked them out in the early '30s and they have demonstrated their continuing validity ever since. It didn't make any difference whether I was an individual working with other individuals, the head of an organization working with other organizations, or any conceivable combination or ramification of the two. They got results then, and they still do. They are (1) an adequate plan of prospecting; (2) an organized routine which becomes largely automatic; (3) a considerable degree of specialization; (4) a definite plan of building prestige; (5) the ability to visualize objectives."

Moved to Pasadena

Starting in the life insurance business in August, 1932, when the country was entering the lowest point that had been reached by the economy in 100 years, Mr. Stever wound up his first year with total commissions of \$1,100. He moved from Los Angeles to Pasadena, which gave him a fresh start in a new environment—but also the disadvantage of being a relative stranger.

Having to build a prospect list from scratch, he set a goal of 500 active names, and began accumulating names from every possible source. His next job was to refine the mass of names into a workable list. He started a scrapbook. Any time anyone on his basic lists was mentioned in the news, Mr. Stever clipped the item for the scrapbook. Thus he had his information set up in an orderly and usable manner. He has continued the practice to this day—in fact, it is a perfect example of the second fundamental in the pattern: It is an organized routine that has become largely automatic. Often the clue to an effective approach has come from a clipping. One fact gleaned from a news item concerning a prospect's hobby, acquaintances, or business or social activities has often been the start toward an eventual case.

Kept Influence Centers Alive

The clipping routine also helps keep centers of influence alive. Whenever Mr. Stever comes across an item that mentions a prospect or client (or that he thinks may interest him, whether it mentions him directly or not) he clips it, attaches a handwritten note and drops it in the mail. Most people

appreciate this note of personal interest.

Mr. Stever uses mailing pieces, which he believes have the merit of stimulating interest in problems that life insurance can solve, building prestige for the agent, and making it easier to sell an interview when a call is made.

When the time comes for arranging an appointment, Mr. Stever never calls a new prospect, unless he knows him personally, without first writing him a pre-approach letter. He follows three inflexible rules: (1) Make it very brief and to the point; (2) call attention to a particular problem or service that he proposes to discuss; (3) close by stating that he will phone at a specified time to arrange for an interview.

"This letter not only makes it easier to sell an interview, it keeps me disciplined and on the ball," said Mr. Ste-

ver. "If I have already told a prospect that I am going to call, then I am obligated to make that call and do it on time."

"This combination of pre-approach letters and telephone calls is tremendously effective for me—as long as I adhere strictly to one more rule. When I make the telephone call I drive hard for one thing—and one thing only: a definite appointment for tomorrow. I am asking for the appointment to discuss important information, and I avoid any extraneous discussion of it over the phone. Except in a very unusual situation, you can't sell a policy over the telephone. However you can sell an interview, so that's what I concentrate on."

Has Kept Record

Over the years Mr. Stever has kept a record of the usual objections, and statistics on the number of times they come up. He has catalogued them and has written one-sentence answers to each. He also keeps a record of the number of calls he has had to make before getting the interview. He finds that he can obtain three out of every four interviews he phones about if

(CONTINUED ON PAGE 20)

NW Mutual Life's Agents Ready 81st Annual HO Meeting

Northwestern Mutual Life's agent sales leaders, whose last year's records contributed to the second best sales volume year in the history of the company, will be cited on the opening day of the 81st annual meeting of Assn. of Agents at the home office next week.

The agents' year ended May 31 and totaled \$870,673,104—matching within one per cent the all-time record set during the previous year: \$837,413,076.

Annual awards made under the association's system of honors will go to 110 agents who had sales of over \$1 million, 93 over \$750,000, and 326 over \$500,000. In the three top production clubs, the number of members is at an all-time high, with 529 qualifiers against 524 in 1960.

John O. Todd, Chicago, took 1st place honors as the leader of the company

(CONTINUED ON PAGE 19)

LIFE WITH PROVIDENT

C.L.U. -- Degree of Distinction

Hallmark of the man who has earned the C.L.U. degree is his professional approach to the life insurance needs of his clients. For he has gained a greater understanding, through C.L.U. study courses, of the vast field encompassed by life insurance and how best to apply his skills to individual situations. And with his increasing professional ability comes greater self-assurance, respect and usually increased income, too, because his services are more valuable. That's why increasing numbers of men are preparing themselves for a greater future in life insurance through C.L.U. studies.

PROVIDENT
LIFE AND ACCIDENT

LIFE • ACCIDENT • SICKNESS
HOSPITAL • SURGICAL • MEDICAL

Insurance Company

CHATTANOOGA

Home Office Changes

Metropolitan Life

Clarence E. Pearson has been appointed director of field and community health activities of the health and welfare division. He was at one time planning director of the health and hospital division of the St. Louis health and welfare council and he helped organize that city's home accident pre-

vention pool. He has also been associate professor in the health department of Washington University.

Mutual Of New York

Arthur L. Spyr, formerly territorial underwriter in the western sales region, has been made senior staff underwriter. Henry K. Manger Jr., who was

eastern territorial underwriter, succeeds Mr. Spyr. Thomas A. Webster, formerly assistant territorial underwriter, assumes Mr. Manger's post in the east.

Prudential

Menzo J. Brown has been named field training manager at the northeastern home office. He was a training consultant there and before that was staff manager and district agent in Binghamton, N. Y.

Louis L. Tripp has been made training consultant in eastern New York.

He was staff manager in Endicott, N.Y., and Binghamton and district agent, Binghamton.

Bayard L. England, chairman of Atlantic City Electric Co., has been made a member of the board, filling the term of the late Chester I. Barnard, former president of Rockefeller Foundation.

Acacia Mutual Life

C. Craft Marks has been appointed superintendent of agencies. He has been general agent of Equitable of Iowa at St. Louis and before that was with Guardian Life as agency director, assistant manager and supervisor.



C. Craft Marks

Guardian Life

George H. Paldi, superintendent of agencies with headquarters in San Francisco, will become 2nd vice-president and superintendent of agencies upon the retirement of John C. Slat-



George H. Paldi



George L. Zevnik

tery Aug. 1. He has also been Pacific Coast agency director, assistant field director, and brokerage manager.

At the same time George L. Zevnik will become 2nd vice-president, agency administration. He has been in the personnel department, was made administrative assistant to the vice-president, assistant to vice-president, assistant secretary, and agency secretary.

Alan D. Canfield, manager of health insurance sales, will be director, health insurance sales. He became a field training supervisor after being an agent in Red Bank, N. J.

Daniel R. Mulcahy, agency assistant, becomes agency secretary.

Fidelity Mutual Life

Herbert K. Zearfoss has been made supervisor of mortgage loans. He joined the company last year after being a member of a law firm in Lewisburg, Pa.

Northwestern Mutual

James W. Erdevig, assistant manager of mortgage services, has been pro-

Service Guide

ACS

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"Specializing in Computer Applications for the Insurance Industry"

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NOW...

FOR THE FIRST TIME...

A PENSION PLAN
CAN COMBINE
THESE TWO
IMPORTANT
ADVANTAGES:

1 EXTREMELY LOW-NET-COST PERMANENT INSURANCE FOR HIGH-PAID EXECUTIVES

National Life's outstanding Ordinary Life Policy is now available for high-paid executive talent. Supplements National's flexible, economical ABC-YRT pension plan.

2 GUARANTEED ISSUE TERM FOR RANK-AND-FILE EMPLOYEES

Ten or more lives qualify, in most cases, for *guaranteed issue* of National's low-premium, Yearly Renewable Term Insurance.

THIS IS THE NEW ECONO-EXECUTIVE PROCEDURE

It's so simple it can be explained in two sentences . . .

1. National's Ordinary Life Policy is now available, in pension and deferred profit-sharing plans, for the portion of the pre-retirement death benefit in excess of the guaranteed issue limit, whenever such excess is \$20,000 or more.

2. Increases qualify when such increases in excess of death benefit aggregate \$10,000 or more.

CAN YOU* USE THE ECONO-EXECUTIVE PLAN?
SEE YOUR NATIONAL LIFE GENERAL AGENT!



National Life
Insurance Company
MONTPELIER
VERMONT

Founded in 1850 • A Mutual Company • Owned by its Policyholders

*If you are a full-time agent of another life company, we solicit only surplus and special business not acceptable to your company.

moted to superintendent of mortgage services.

Baltimore Life

Albert C. Malley has been made superintendent of agencies. He was formerly superintendent at Erie, Pa., home office supervisor, and manager at Reading, Pa.

John Hancock

W. Edward Boughton will become general director of public relations Aug. 1. He has been account group supervisor at J. Walter Thompson Co., New York advertising agency, since 1959.



W. Edward Boughton

Richard P. Waters Jr., 2nd vice-president, advertising and public relations, will head the newly formed advertising and public relations council. His other duties include heading the 100th anniversary committee.

Stanley T. Dingman, formerly associate director, bureau of publications, and later director of public relations, will assume the new post of director of internal communications.

Midland National Of S.D.



William A. Rigsbee

William A. Rigsbee has joined the company as executive vice-president. He was with Home Security Life until 1956, and since then, he has been with Franklin Life.

National Fidelity

Lynn W. Courtney has been named to the newly created post of administrative officer. He joins the company after more than four years as sales representative of IBM.

Modern Woodmen

Robert J. Aldrich, district manager, has been appointed assistant state manager at Toledo for northwest Ohio.

Standard Of Oregon

Walter F. Brissenden has been promoted to agency secretary. He was director of sales service and administration.

Equitable Society

Dr. Luther A. Cloud and Dr. Robert Stock, both formerly assistant medical directors, have been made, respectively, associate medical director in the employes' health center, and associate medical director, bureau of insurance medicine.

Colonial Life

Mitchel D. Nowak has been made resident superintendent, succeeding Bernard J. Lyttle, who is opening a general agency in Glen Cove, N. Y.

Mr. Nowak has been a brokerage manager for Mutual Benefit Life in New York City, and before that brokerage supervisor for the Fraser agency, Connecticut Mutual Life, New York, and a fire underwriter with London & Lancashire.

Illinois Mid-Continent

Lester M. Wintz has been appointed 2nd vice-president. He entered the business with Metropolitan Life and most recently has been a general agent of United States Life.

APPALACHIAN NATIONAL has named J. Thomas Smith director of field services. He has been acting agency director since the first of the year.

CONSUMERS NATIONAL LIFE of Indiana has named J. L. Cassidy Jr. vice-president and director of agencies.

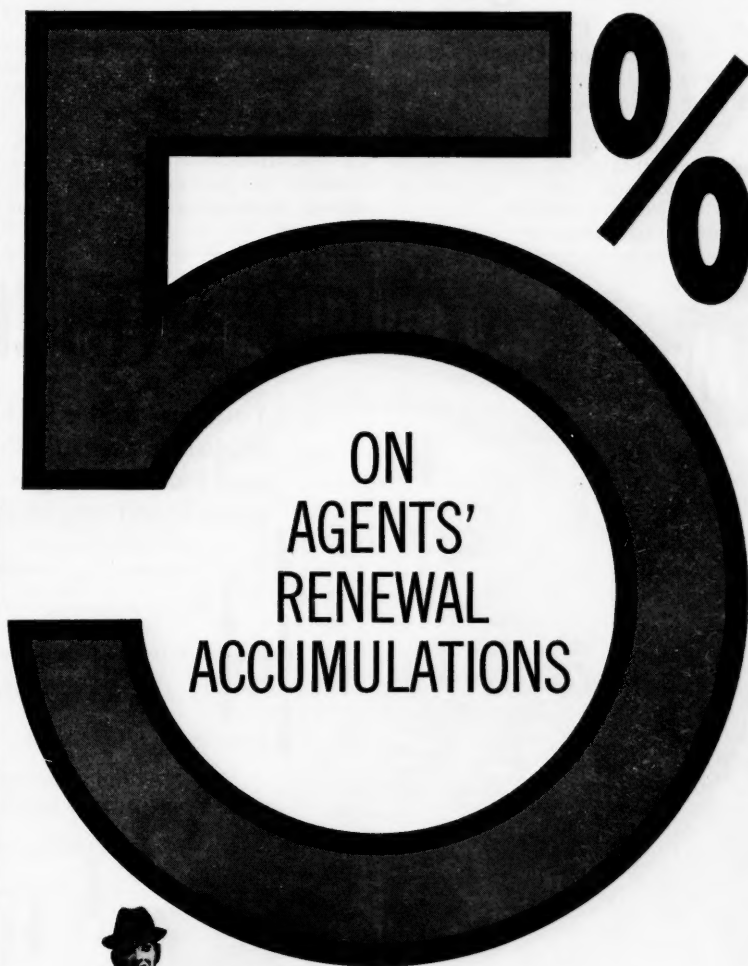
CENTURY LIFE of Fort Worth has transferred Clifton W. Long, regional manager in Oklahoma, Arkansas, and Louisiana to the home office as director of sales. He succeeds the late W. R. Wommack. W. C. Huckleba, director of sales training, becomes associate director of sales.

SENTRY LIFE has appointed F. E. Gehin medical director.

Conventions

July 27-29, National Assn. of Life Companies, annual, Sheraton-Charles Hotel, New Orleans.
July 30-Aug. 5, CLU institute, University of Wisconsin, Madison.
Aug. 13-19, CLU institute, University of Colorado, Boulder.
Aug. 21-23, International Federation of Commercial Travelers Insurance Organizations annual, La Fonda Hotel, Santa Fe.
Aug. 28-Sept. 1, National Insurance Assn., annual, Sheraton-Park Hotel, Washington, D. C.
Sept. 17-20, International Claim Assn., annual, The Greenbrier, White Sulphur Springs, W. Va.
Sept. 20-22, Life Insurance Advertisers Assn., annual, Sheraton-Dallas Hotel, Dallas.
Sept. 24-29, National Assn. of Life Underwriters, annual, Denver Hilton Hotel, Denver.
Sept. 25, Fraternal Actuarial Assn., annual, Netherland Hilton Hotel, Cincinnati.

Jefferson Standard Does It Again!



"Another Jefferson Standard PLUS!" says Mr. 4%. "Live on your first-year commissions and leave your renewals on deposit with the Company — now at 5% interest, compounded annually, on the first \$5,000."

Mr. 4%, the Jefferson Standard agent, long has enjoyed the valuable privilege of leaving his renewals on deposit with the Company to accumulate at 4% interest. NOW Jefferson Standard is allowing its agents 5% interest, compounded annually, on the first \$5,000 of renewal accumulations left on deposit through its unique Renewal Accumulations Plan. 4% is paid on accumulations in excess of \$5,000.

Jefferson Standard agents now have more than \$2,000,000 in accumulated renewals on deposit with the Company.



Represents The Jefferson Standard

Jefferson Standard
LIFE INSURANCE COMPANY Home Office: Greensboro, N.C.

MORE THAN TWO BILLION DOLLARS OF LIFE INSURANCE IN FORCE



The Minuteman

*Symbol of Success
to a fast-growing group
of General Agents*

Old Republic

LIFE INSURANCE COMPANY

CHICAGO 1, ILLINOIS

Changes In The Field

Hartford Life

Carl E. Schaeffer has been made manager at Indianapolis. He was agency assistant and assistant superintendent of agencies for American United and before that agent, regional training director and branch manager of American National.

Donald L. Fulghum has been made

manager at Seattle. He was Georgia International's Seattle general agent and earlier was manager for Pacific Mutual there.

Connecticut General

Arthur G. Johnson has been appointed assistant manager at Akron. He joined the company in 1956 at

Syracuse. Since 1959 he has been a staff assistant at Akron.

William M. Cahill, Boston brokerage agent, and Earl J. Hoag Jr., Broadway, New York, brokerage agent, have been made senior brokerage consultants at their respective offices.

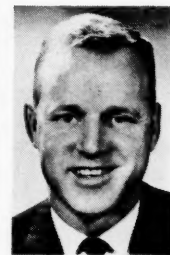
Fidelity Life Assn.

New resident vice-presidents are William Heineke at Summit, N. J., Ross C. Merritt at Chicago, and Ben C. Dahmann at Decatur, Ill. Gerald Pahlman and Maxwell D. Rudgers have been named resident secre-

taries at Los Angeles and at San Francisco, and Harold H. Wierenga becomes assistant secretary at Fulton, Ill.

Mutual Of New York

Leo E. Quinlan, assistant manager at Wichita, has been appointed manager at Corpus Christi, to succeed Thomas H. Chisholm, who was named director of management training at the home office in May. Mr. Quinlan joined the Wichita agency in 1955.



Leo E. Quinlan

Northwestern Mutual

Gerald N. Gilberg has been appointed assistant to General Agent Harry Krueger at New York. He has been in production.

Lutheran Mutual



L. B. Johnson

Leo B. Johnson has been appointed general agent at Lincoln. He was a district agent for Lutheran Mutual at Houston from 1955 until 1960 when he joined the home office agency department staff.

Security Mutual Of N. Y.

Cornelius E. Felt has been made Philadelphia general agent. He was an agent in Plainfield, N. J., and Trenton branch manager for New England Life.

United States Life



Richard J. Arnold

Richard J. Arnold has been appointed general agent in Somerville, N. J. He has been a division manager for Prudential.

Employers Life

Frank J. Carey, formerly with Connecticut Mutual in Cincinnati, has been appointed brokerage supervisor in Cincinnati.

Baltimore Life

Curtis L. Bready, manager at York, Pa., has been made manager at Williamsport, succeeding A. J. Halloran, who died in June.

Richard B. Altland has been named manager at York. He was made staff superintendent in 1941, home office

MANAGEMENT CONSULTANTS

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Consultants in Marketing and Management for the Insurance Business
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Mr. Agency Builder:

STRIKE IT RICH!

You can "Roll a Strike" every time with Columbus Mutual's Agent's Contract, Induction Program, and Sales Packages—because your agents make money and you make money with:

- Top Commissions on Leading Par and Non-par Policy Contracts.
- Vested Renewals.
- Higher Lifetime Compensation in Service Fees.
- Non-Contributory Pension Plan.
- Free Group Life Insurance.
- New Induction Program—completely flexible for new agents, established producers, and brokers alike.
- Profitable, success-proven Sales Packages.
- Practical, easy-to-use Visual Presentations.
- Streamlined Rate Books for Maximum Production in Minimum Time.
- Unexcelled Aut-O-Check and Check-O-Matic premium payment plans.

Home Office Assistance

THE GOLDEN LANE TO OPPORTUNITY

FOR YOU

Well-balanced General Agent's Contract providing liberal overwriting and liberal expense allowance.

PLUS

Friendly, effective Home Office assistance to help you in your Recruiting, Training, and Agency Building Program.

AGENCY-BUILDING OPPORTUNITIES in:

Alabama, Arizona, California, Delaware, Florida, Georgia, Illinois, Indiana, Iowa, Kansas, Kentucky, Maryland, Michigan, New Jersey, North Carolina, Ohio, Pennsylvania, Texas, Virginia, Washington, D.C., and West Virginia.

COLUMBUS MUTUAL
Life Insurance Company
Columbus 16, Ohio

Frederick E. Jones, President Fred C. Adams, Sup't. of Agents

COLUMBUS MUTUAL'S
Agent's Contract
Induction Program
Sales Packages

YOUR AGENCY

YOUR FUTURE FORTUNE

supervisor in 1948, then manager at Silver Spring, Md., agency assistant at the home office and superintendent of agencies.

Joseph F. Brent, Scranton manager, has been appointed manager at Lock Haven, Pa. He has also been staff superintendent at York and home office supervisor.

Harold E. Hicks Jr., Drexel Hill, Pa., manager, has been made manager at Reading.

Arthur Mazzie is the new manager at Scranton. He has been staff superintendent and home office supervisor.

Travelers

Managers transferred are Norman W. Anderson, from Sioux City to Minneapolis; Arnold G. Cure, from Lexington, Mass., to Brooklyn; Charles E. Earley, from Tulsa to Wichita, and Robert L. Roellke, from Brooklyn to Newark. Mr. Anderson has been assistant manager at Boston and Miami and before that was with the company



Norman W. Anderson



Charles E. Earley

at New York. Mr. Earley has been assistant manager at Lubbock. Mr. Roellke has been assistant manager at



Arnold G. Cure



Robert L. Roellke

New York and prior to that was with the Newark agency.

Dale F. Bowlsby, assistant manager at Sioux City, has been promoted to manager there. He has been assistant manager at Des Moines.



Dale F. Bowlsby

Hamilton Life



Louis DiBiase

Louis DiBiase has been appointed general agent in Syracuse. He has been a field trainer for Companion Life and has had several articles published on selling techniques.

Republic National

New general agents are Alwin Smith at Reno, Nev., and Fred H. Navarra at New Castle, Pa.

Standard Of Oregon

Robert Rau, manager at Portland,

Ore., for nine years, has relinquished that post to devote full time to personal production. He is a past president of the Portland and Oregon agents' associations and Oregon Life Managers Assn.

Indianapolis Life



George S. Wherry

George S. Wherry has been appointed general agent at St. Louis. He has been in insurance since 1953.

Guardian Life

Lawton Gresham has been appointed general agent in Greensboro, N. C. He has been vice-president and agency director of Twentieth Century Life of Greensboro, N. C.

Northwestern National

Robert L. Atess, field supervisor at

Des Moines, has been appointed manager at Lincoln, Neb., and Wendell J. Bossen becomes district manager at Watertown, S.D., where he has been an agent.

Bankers Of Nebraska



D. B. Haddon

Douglas B. Haddon has been appointed as general agent in Bakersfield, Cal. He has been with Prudential as staff manager in Bakersfield for 12 years.

Heading new agencies are Donald H. Sizer at Dallas, William L. Cope at Fort Worth, Ralph C.

Snow at Tampa, and Charles J. Jung III at New Orleans.

Occidental of California

George H. Rott has been named general agent in Shawnee-Mission, a suburb of Kansas City. He has been assistant manager at St. Joseph, Mo., of Metropolitan Life.

Donald D. Ewbank has been ap-

pointed assistant manager at San Diego. He has been with Mutual Benefit Life.

Roland J. Jacques, an agent in Hartford, has been appointed brokerage manager there.

Jack E. Nickell, associate regional group manager at Long Beach, has been transferred to Seattle as regional group manager, and Robert J. Boyle and James A. Thomas have been named group service representatives at Los Angeles.

Franklin Life

Henry J. Whirlow has been appointed general agent at Greensburg, Pa., and Mitchell E. Nassar district manager at Charleroi, Pa. Mr. Whirlow has been with Metropolitan Life, and Mr. Nassar was with Prudential before joining Franklin in the western Pennsylvania field.

Continental American Life

Named general agents in New York City are Gerald Cohen and Alvin Rosenfeld, former general agents in New York City for the Maccabees.

All American Life & Casualty has been licensed in New Jersey.

The best policy...

There's quite a lot of discussion going on nowadays about the kind of life insurance people ought to buy.

We are inclined to agree with Hal Nutt that the best kind of policy is one that will be in force when the insured person dies.



THE
NATIONAL LIFE
AND ACCIDENT
INSURANCE COMPANY
HOME OFFICE - NASHVILLE, TENNESSEE

English Insurance Plan Protects Buyers

(CONTINUED FROM PAGE 10)

made for a minimum of 50 shares and in units of 10 shares above that amount.

What seems to some critics in the London insurance market to be a 10-year guarantee based on Utopian hopes rather than on well-founded actuarial calculations is really, according to Mr. Stewart, the soundest kind of insurance based on the most conservative insurance principles.

The premium of 3d. per share paid by the original buyer of Falcon Trust shares amounts to 5% of the cost of the shares, says Mr. Stewart, and this should result in an underwriting profit if the following three factors are taken into consideration:

First, no claim is payable for 10 years. Therefore, there can be added to the premium its investment value. Secondly, all of the original shareholders will not be in a position to make a

claim at the end of 10 years. Third, any loss occurring must be limited to a considerable degree less than the sum insured, otherwise so great a financial collapse will have occurred that all recognized values will have become valueless. These three factors combined, says Mr. Stewart, make the underwriting a pretty safe proposal.

Criticisms Usually Theoretical

Criticisms of the project from an analysis of its features, and not merely from instinctive prejudice against innovation, says Mr. Stewart, are generally theoretical rather than pragmatic. They question, for example, the difficulty of reserving; and the doubling up of misfortune—that the company might suffer from loss on its own investments in addition to the claims made on the insurance. But all in all, he says, it must be conceded that guaranteed unit

trust shares are not only a satisfactory offering for the small investor, but that they give reasonable return to the insurance underwriter as well.

Then why is there so much uproar about Falcon Trust in the London market? Probably, says Mr. Stewart, "Because I am chairman of the London & Edinburgh and chairman of Unicorn Securities, who are managers of Falcon Trust. In other words, I am chairman of the company that issues the shares, chairman of the company that markets them, and the company that insures them. This seems to lead some good people to think that there must be something in the hen-house other than us chickens."

"The fact is that it is a happy circumstance that the several companies, because of this relationship, are able to be of great value to each other, and thus to their investors and insured."

Financial Writers Quoted

It is interesting to see what the financial writers of London's major newspapers had to say about this marriage of mutual funds and insurance in the London market. They seem to think it has value for investor and unit trust and several of them prophesy that a precedent has been set which other unit trusts will soon follow. Here are some of their comments:

Sunday Express: Today Falcon Trust makes an offer which is unique in the history of the unit trust movement. Is this not an excellent insurance plan for trustees and cautious people who long to dabble in ordinary shares yet fear to take the risk? I prophesy that other unit trusts will follow suit.

Daily Mail: Now with Falcon anyone who has any doubts about the stock market can buy unit shares without fear of losing money in 10 years time, and get a yield starting at about £4-16s. per £100. If extended this new idea would make Falcon a favorite with trustee investors who want security growth prospects and good yield.

The Times: An insurance guarantee against loss of capital is the feature of the block offer of 2 million Falcon Trust units being offered by Unicorn Securities today. . . . The demand for safety in investment is very great among the small investors, and no doubt the new idea will receive the support of many who have previously been wary of stock markets. The unit trust movement will watch this experiment with interest and will probably quickly follow the lead if it proves a success.

The Observer: Is the bargain worth buying? My own view is that Falcon is a good trust in its own right, and over a period of 10 years it should have no difficulty in achieving a fair measure of capital appreciation. In short, I would think that any investor who paid

the extra 3d. was making a gift to the insurance company.

Daily Telegraph: For trustees in particular a scheme like Falcon's has obvious attraction. The unit trust managers themselves should gain the advantage of greater stability in holdings, but the outstanding feature is the high degree of confidence that the plan implies in the longer term outlook for equities.

Sunday Dispatch: To small investors who like their savings to be well spread over dozens of shares chosen by experts it is good news that the unit trust movement is again on the march. For a premium of 3d. a share applicants can get their money back in 10 years if, by April 30, 1971, the units are worth less than tomorrow's offer price of 5s. 4d. each. They are not likely to call on their guarantee. Falcon has good management and has done well for investors.

Cal. Insurer's President Lauds Sec. 213 Editorial

President Homer O. Martin Jr. of Intercoast Mutual Life of Sacramento writes:

"Some of your editorials are as fine as can be written regarding the life insurance industry and insurance departments. Your editorial in the June 17 National Underwriter regarding section 213 of the New York insurance code is exceptional!"

"I feel sure that heads of many companies, along with agents, feel much as you do. Congratulations on editorializing on something that has needed attention for many years."

Another comment on the editorial comes from Philip R. Heil, State Mutual Life, Cincinnati. He writes:

"Please be assured that many good, conscientious underwriters feel that you are on the right track."

"It is rather interesting to note that in our local community just recently the real estate board decided to raise commissions from 5% to 6%—a 20% increase—and apparently this was accepted without posing any problem."

"The life underwriters' expenses are constantly increasing, whereas lower premiums, 'iron-clad' commission schedules, increased government competition through social security benefits and subsidized insurance are making it more difficult than ever to realize an increased income commensurate with our business expenses and living costs."

West Mich. Health Agents Elect Kessler President

Leonard F. Kessler, Mutual of Omaha, Grand Rapids, has been elected president of Western Michigan Assn. of Health Underwriters. Other new officers are John R. Morrill, Continental Casualty, Wayland, president-elect; John Oudshoorn, American Hospital-Medical-Surgical Association, vice-president; and Mrs. Gertrude Knight, Mutual of Omaha, Wyoming, secretary-treasurer.

Toledo Life Agents Elect Burt Bershon President

Burt L. Bershon, Mutual Benefit Life, has been elected president of Toledo Assn. of Life Underwriters. Other officers are Edgar R. Sulier, Pacific Mutual, 1st vice-president; Robert R. Meeker, Connecticut Mutual, 2nd vice-president; and William E. Downing, who was reelected secretary-treasurer.

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In this wonderful battle of competition we are seeing brought forth fantastic projections, unusual riders, agents' benefits and the like—yet we can't help asking "what about the widow and the children?" We'll gladly put our merchandise up against any company in the world, but better yet, we invite comparisons with all companies as to our ability to pay more dollars of lifetime income to the beneficiary for each dollar of premium paid into our policy contracts. If you're interested in selling that is financially satisfying for both yourself and your client, then write me today.

Harry V. Wade, President

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Wants Estate Planners' Rights Understood

(CONTINUED FROM PAGE 1)
been planned by a member of the Oregon Bar, and after receiving an opinion from another attorney as to certain legal considerations in Mr. Dailey's will, Mr. Miller advised Mr. Dailey that certain clauses in the will were inadvisable in that they would cause an increase in estate taxes. It developed that the advice given by Mr. Miller to Mr. Dailey was wholly inaccurate.

"Mr. Dailey's lawyer, upon receiving a complaint from Mr. Dailey, immediately pointed out the inaccuracy of Mr. Miller's advice. He also referred the matter to the Oregon Bar Assn., which brought suit against Mr. Miller and his corporation in a local Oregon court. The bar association requested that Mr. Miller be enjoined from the alleged practice of law.

Permanent Decree Sought

"Enclosed with this bulletin you will find a copy of a memorandum of law filed with the court by the Oregon Bar Assn. and a proposed decree that the bar association is asking the court to adopt. You will note from the decree that the bar association would have Mr. Miller enjoined from preparing estate plans which embody legal analysis, counsel and advice. It would appear difficult to envision any estate plan which does not embody such counsel and advice. If the Oregon court adopts the proposed decree and if the case is affirmed on appeal, a highly detrimental precedent will be established in the area of the relationship between attorneys and life insurance agents.

"Mr. Miller is not a member of AALU, nor does AALU have any personal interest in Mr. Miller. However, because of the possible severe repercussions of the case, your Washington counsel, at the request of Harold Franklin, (manager of Canada Life in Cleveland) AALU president, have asked the court to permit AALU to intervene. We expect that this permission will be granted within the next few days. At that time AALU will file with the court a brief which will attempt to delineate reasonable standards by which life insurance agents can engage in advanced underwriting without the fear of engaging in the unauthorized practice of law.

"Rational, Systematized Plan"

"Although we would all recognize that it is not the function of insurance agents to draft legal questions such as the application of the law of perpetuities, it is the function of the insurance agent to present a rational and systematized plan of adequate life insurance protection. Whether or not the plan of life insurance can be considered an estate plan, it would seem unwise to deprive prospective insureds of the services that can be rendered by competent life insurance agents.

This is the current position of AALU and will undoubtedly be the position which in greater detail will be presented to the court. Any suggestions that AALU members might have will be most welcome."

Confederation Life Boosts Quantity Discount Schedule

Confederation Life has increased its quantity discount schedule on life, endowment, term and most other plans up to \$25,000 of face amount. Separate discounts have been introduced for the first time at the \$50,000, \$100,000 and \$200,000 levels. For example, in the United States, on a typical \$100,000 life contract, the additional savings in annual premium under the revised schedule would be \$80.

Wis. Agents' Choice



Proudly displaying the plaque which designates him as Wisconsin Assn. of Life Underwriters' choice as the 1960 "A. Jack Nussbaum Wisconsin Life Insurance Man" is William H. Pryor, Connecticut Mutual Life, Milwaukee.

Mr. Pryor entered the business with Connecticut Mutual in 1932. He is among the company's leading producers with more than \$6 million in force. He has qualified for the MDRT four times, received the National Quality Award 10 times, and been a member of his company's president's club 17 times. To increase membership in the state association, Mr. Pryor stumped the state with "caravans" of association officers and through the years membership increased from 400 members in four local associations to 1,400 in 15 associations.

Nw National Is Offering Conversion Privilege To Group A&S Policyholders

Group health policyholders of Northwestern National have been advised of a new conversion privilege providing individual hospital and surgical expense benefits.

The conversion privilege, when added to existing master group contracts, will enable employees retiring or terminating to convert their group hospital and surgical coverage to an individual plan without medical examination. New group contracts issued on or after July 1 will regularly contain a conversion provision. The converted policy is an individual, non-cancellable contract providing benefits under any one of three plans.

National Fidelity Life recorded a 12.5% gain in new business during the first six months of 1961, and June production of \$11.5 million was 10% ahead of company's best month heretofore. Insurance in force amounted to \$249,222,926, up 16%.

Philippine Agency First In Lincoln National's President's Month Contest

T. H. Davies & Co. agency of Lincoln National Life in the Philippines, has been named international winner in the company's annual president's month contest.

Under the leadership of Charles L. Slane, the agency ranked first among all Lincoln Life agencies in the production of paid business during the contest.

Sarhatt Named President

Robert Sarhatt, State Mutual Life, has been named president of Lansing (Mich.) General Agents & Managers Assn.

Other new officers include Glen Walters, Franklin Life, vice-president; and Rodney Dickinson, Equitable Life of New York, secretary-treasurer.

Commissioner Harry S. Smith of Delaware has appointed Andrew L. Burks of Millsboro as deputy commissioner.



Cash Value Insurance At Near Term Rates!

If a prospect can afford term, then chances are he can afford lifetime coverage (with cash values) under our new LIFE MODIFIED AT 70 policy.

This is level premium insurance at a rate a step higher than term but 9 to 35 per cent lower than ordinary life.

Another feature. This policy gives heaviest protection during the early years of a man's life, when he needs it most. The face value is twice as much before age 70 as it is after.

By lowering the face value at 70, the policy permits a reduced premium—now and throughout the life of the policy. Yet, it still builds cash values!

Prospects will like the permanent protection—and the price.

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We pay Lifetime Renewals... they last as long as you do!

COULD IT BE TRUE?

A Connecticut Life Insurance Company offering up to 103% first year commission—it sure is! We also pay another 45% in renewals over the next six years. If you want more information on how to step up to your own Agency, contact—David G. Hunting, C.L.U., President.

SECURITY-CONNECTICUT LIFE INSURANCE COMPANY
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76,961 NALU Members On June 30 A Record For This Time Of Year

NALU membership totaled 76,961 on June 30, a record for the date and 1,369 ahead of membership at the same time last year, according to a report by Membership Committee Chairman Philip A. Hoche, Kansas City Life, Orlando, Fla. The membership goal this year is 87,777.

Membership award winners on the basis of a point system—earned by an increase over the Dec. 31 total or the 1961 quota are: leading area, area 10 (Colorado, New Mexico, Utah and Wyoming); leading state association, Nebraska, and leading local association, Westmoreland, Pa.

Representatives of the leading groups will be honored at a president's membership dinner on Sept. 26, during NALU's annual convention in Denver.

Record Six Months For Bankers Life Of Neb.

Bankers Life of Nebraska has closed out the first six months with the most successful production record in its 74-year history.

As of June 30, the company's com-

bined total of new life and health insurance production had passed the \$85 million mark in written, examined and paid volume. This figure is an increase of more than 8% from the previous high established a year ago.

Enroute to the new six-month production mark, three additional Bankers Life volume records were erased. The company's annual anniversary campaign, held from May 1 through June 3, produced sales of over \$23,700,000. During May, production of more than \$17,100,000 was the greatest ever recorded in a single month. June 3, the campaign's final day, established a new single-day volume high of some \$5,500,000 of new life and health insurance production.

Annual Advanced Life Underwriting Conference Readied By U. Of Wis.

MADISON—"The Life Underwriter's Role in Planning for Business Owners" is the theme of University of Wisconsin's annual school of advanced life underwriting to be held here Aug. 6-11.

The conference is sponsored by the university's school of commerce and Wisconsin Assn. of Life Underwriters. Co-directors are Prof. Charles C. Cen-

ter and William C. Goebel, Central Life of Des Moines, Madison.

James Blakely, school of commerce, will open the meeting with "Accounting Principles the Life Underwriter Should Understand." In the afternoon Edward F. Fendt, Equitable Life of Iowa, Chicago, will speak on "Using Accounting Concepts To Demonstrate Insurance Needs and To Find the Premium Dollar," and William Lynch, Seefurth & McGiveran, Milwaukee, will talk on "New Developments in Taxation of Interest to Life Underwriters." A "Quiz the Professor" discussion is planned for the evening.

"Pension and Profit Sharing Plans for Small Businesses" is the subject of Jack Zimdars, New England Life, Madison, on Tuesday morning. Maurice Kiley, of C. B. Stumpf agency, Madison, will report on "Business Disability Insurance" that afternoon.

"Planning for the Disposition and the Retention of the Business Owner's Estate at Death" will be considered by the Craig agency of Northwestern Mutual at Milwaukee on Wednesday. This group includes J. Lowell Craig, John Formella, and Matt Taylor.

C. W. Tomlinson and Gene D. Reifsnider, advanced underwriting consultant and director of advanced life underwriting, respectively, Bankers Life of Iowa, will discuss "Workshop in Estate Planning for Business Owners" on Thursday with a round table discussion in the evening.

Stuart A. Monroe, Mutual Benefit Life, Chicago, will consider "Selling and Using Life Insurance for Business Purposes" Friday morning.

Harold Cummings, president Minnesota Mutual Life, will be the speaker at the final luncheon on Friday.

Details regarding housing and registration may be obtained by contacting Prof. Center.

American Capitol To Acquire Liberty L.&C.

Stockholders of American Capitol of Houston have approved a proposal to amend the company's charter to increase the number of authorized shares of common stock by 50,000 and to increase the number of directors by one.

The increase in the capital stock was to effect the purchase of 99.77% of the outstanding shares of stock of Liberty Life & Casualty of Denver, notes Fred Armstrong, president. The new director will be from the company so acquired.

For the time being, American Capitol will operate Liberty Life as a wholly-owned subsidiary. Liberty Life is licensed in Kansas and Oklahoma, two states in which American Capitol is not presently licensed.

American Capitol has approximately \$24 million of life in force, producing a premium income of approximately \$625,000 annually. With the purchase of Liberty Life, American Capitol will have a combined amount of insurance in force of \$30 million and a yearly premium income of \$810,000.

Northwestern National, with record ordinary sales of \$20,414,297, in May, was 40% ahead of the same month a year ago. Total ordinary sales for the first five months are \$92,920,693, an increase of 32%.

Southwest Indemnity & Life has been admitted to Virginia, Oklahoma and District of Columbia, bringing to 17 the total number of states in which it does business.

First Boston Makes Comparative Study Of Stock Insurers

The 1961 edition of "Data on Selected Life Insurance Company Stocks" has been published by First Boston Corp. The booklet is a statistical guide to 22 publicly owned stock life companies and contains extensive financial information plus a comparison table showing the relative growth and market performance of the companies studied.

In total equity per share, the sum of book value and an amount representing the approximate value of insurance in force, the comparison chart shows the best gain was made by Liberty National (\$12.59 in 1959 to \$14.50 in 1960), closely followed by Franklin Life (\$25.04 to \$28.64). Continental Assurance leads in 10-year gain in ordinary insurance in force, while the best record for all types of insurance has been made by California-Western States Life. Franklin Life is out in front in percentage gain in capital funds and in stock price appreciation.

Companies Compared.

The companies studied are Aetna Life, Bankers National, Business Men's Assurance, California-Western States, Commonwealth, Connecticut General, Continental Assurance, Franklin, Gulf Life, Jefferson Standard, Kansas City Life, Liberty National, Life of Virginia, Lincoln National, Massachusetts Indemnity & Life, Massachusetts Protective, Monumental Life, National Life & Accident, Provident Life & Accident, Southwestern Life, Travelers, and United States Life.

The study also points to favorable mortality experience and higher interest rates received on new investments as reasons to expect continued life insurance company growth in coming years.

"The generally higher level of net gains from operations last year indicated that the industry had adapted to the new Federal income tax law satisfactorily," the report added.

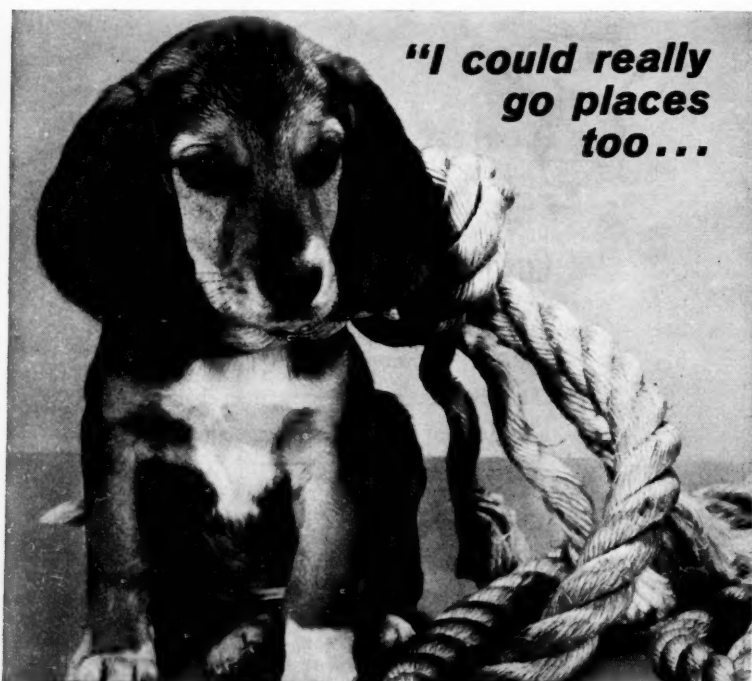
Study P. R. Insurance Wages

WASHINGTON—The Labor Department has appointed a committee composed of representatives of employers, employees and the public to recommend minimum hourly wage rates for newly covered employees of insurance and finance businesses in Puerto Rico under the new wage and hour increase law.

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Ambition is not enough, we must have the right opportunity and friendly assistance when it is needed. We believe the warm spirit of friendliness and cooperation NFL maintains with field associates is one main factor contributing to National Fidelity Life's 44-year record of achievement. Even during our present period of accelerated expansion, NFL continues this policy of personal assistance we consider basic to the development of a growing, dynamic organization. Your opportunity for success may be greater with NFL, where we help each other attain our personal goals.

NEW POSITIONS are being created for Salaried Supervisors and General Agents.

FULL LINE that gives unlimited flexibility in Life, Group, A&H, both Par and Non-Par.

LIBERAL CONTRACTS offering you top commissions, salaries, bonuses, and expenses.

Remember, NFL cares about you and your future—move forward with NFL

Write: Vice President Kemp W. Wood

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National Fidelity Life INSURANCE COMPANY • KANSAS CITY 6, MO.
W. Ralph Jones, President



Corporate Planning Opportunities Are Discussed By Three

(CONTINUED FROM PAGE 7)

without using available employee benefits is to undertake a complicated job with only part of the tools that are available, while on the other hand, to install an employee benefit plan without considering its effects on the estate plans of covered employees is shortsighted at best, since often these employees include the management-owner group or the highly salaried corporate executives.

Integral Part Of Estate

"Essentially the problem that we are considering is the way in which so-called fringe benefits can be used not only to augment and supplement the personal estate but also to form an integral part of the estate plan as a whole," said Mr. Mirsky. "This approach, which has been little used, suggests two opportunities: (1) an examination of their estates with substantial policyholder-employees to be certain that advantages of available employee benefits are being properly utilized, and (2) the use of an estate as the jumping-off point in establishing a need for the installation of some type of employee benefit plan to provide coverages and benefits that are impossible of achievement by the individual alone.

"It must never be forgotten that a large portion of the money that is spent on employee benefits is paid by the employer before taxes and is fully deductible. The significance of this can hardly be overestimated in a situation where individuals of substance are faced with the difficulty of accumulating and transmitting large amounts of money under high estate, gift and income tax schedules.

Which Comes First?

"Which comes first—estate needs or employee benefit plans? I would say that as many employee benefit plans have been instituted as a result of estate analysis and planning as the institution of an employee benefit plan has triggered estate planning. Which ever we start with, we are serving the personnel that is most important to all of us—the executive personnel and the owners of closed corporations. By and large, the rank and file will receive benefits and ride through on the coat-tails of the executive group."

NW Mutual Agents Ready HO Meet

(CONTINUED FROM PAGE 11)

in volume with sales totaling \$4,576,117. This makes the fifth consecutive year in which Mr. Todd has been either the leader or runner-up in sales volume. C. Rigdon Robb, Chicago, was 2nd; Hugh G. Thompson Jr., Charleston, W. Va., was 3rd; and David H. Hilton, Chicago, 4th in this category.

William F. Clancy, Milwaukee, who insured a total of 156 lives, exclusive of employee trust business, for \$845,737, was the leader in lives. He thus becomes the president of the marathon club, which is composed of agents writing 100 or more lives during the year.

Special honors are awarded annually to those leaders of the top production clubs who show the best percentage of their largest volume in the preceding three years, and the largest number of lives written. This year's winners are: Million dollar club: Howard E. Blair Sr., Elmira, N. Y.,

with a ratio of 191.43%, and Sidney F. Greeley Jr., Framingham, Mass., with 124 lives. Three quarter million club: Edward A. Doyle, Cleveland, 140.17%, and Donald J. Brink, Racine, Wis., 79 lives. Half million club: Leslie E. Westin, St. Paul, 126.70%, and J. P. Rome, Hoisington, Kan., 100 lives.

Bronze, silver and gold section awards are made in the new agents' group. Heading the 72 agents in the gold section this year was Glade E. Cook, Utica, N.Y., with sales of \$1,172,600. David A. Duerwachter, Chicago, had the greatest percentage of increase over his previous silver button production—127.08%. Among the 61 agents in the silver section, Gary R. Froid, St. Petersburg, Fla., was the leader in sales with \$1,023,679, and George A. Rooyackers, Appleton, Wis., showed the greatest percentage of increase over his previous bronze button production—210.43%. Of the 172 agents in the bronze section, the leading producer was Albert C. Fallinger Jr., Chicago, with \$1,007,900 in sales, and the runner-up is David L. Schell, Des Moines, with a production of \$770,600.

LAA Nominating Unit Gives Blanchard Nod

The nominating committee of Life Insurance Advertisers Assn. has submitted a slate of officers for the 1961-62 administrative year, one that is headed by L. Russell Blanchard, Paul Revere Life, for president.

Other nominees include William A. Neville, Great-West Life, for vice-president; Robert M. MacGregor, Phoenix Mutual Life, for treasurer; George H. Kelley, New York Life, for secretary, and David J. Behling, Northwestern Mutual, for editor. John L. Briggs, Southland Life, will be past president.

Nominated for the executive committee for two-year terms are John M. K. Abbott, New York Life; James P. Ferguson, London Life; Joseph M. Locke, Gulf Life, and Francis J. O'Brien, Franklin Life.

D. J. Baughn Named Head Of Alabama Association

D. J. Baughn, Liberty National Life, Hueytown, has been elected president of Alabama Life Underwriters Assn. James E. Thomas, Equitable Society, Montgomery, was elected 1st vice-president and R. Frank Richard, Metropolitan Life, Birmingham, national committeeman.

Vice-presidents elected were J. W. Randolph, Crown Life, Birmingham; W. H. Gann, Metropolitan Life, Anniston; L. M. Forrester, Independent Life, Dothan; Edna Dale, Guaranty Savings Life, Enterprise, and W. T. Steiner, Liberty National Life, Prichard.

Name D. C. Martin Head Of Nassau County (N.Y.) Agents

Donald C. Martin, Metropolitan Life, Floral Park, N. Y., has been elected president of Nassau County Life Underwriters Assn.

Other officers elected were Vincent Burns, New York Life, Garden City, administrative vice-president; Victor Goldberg, Mutual Benefit Life, Garden City, educational vice-president; Richard Eichenberger, Prudential, Garden City, membership vice-president; Marshall A. Rubenstein, Citizens Life of New York, Hicksville, public relations vice-president; Jack Huttar, New York Life, Garden City, secretary.

Past Chairmen Of MDRT Tell Of Sales Satisfaction

(CONTINUED FROM PAGE 9)

going to be breakers ahead, trials, discouragement, and some despair. Let us leave here determined to take the attitude that our reward for being here should be our power to return."

John O. Todd, Northwestern Mutual Life, Evanston, Ill., was cited for his creative mind by Mr. Earls in introducing him. Mr. Todd pointed out that creativity doesn't mean getting into fancy tax ideas to beat the government out of its proper revenue.

"The true basis of creativity that sells is that the approach aims at producing greater benefit and greater wealth, because life insurance is property—valuable property," he said. "And when we can be so convincing of this fact as to leave no doubt, then our opportunity for service multiplies, and large volume follows automatically.

"You also referred in your remarks,

Bill, to my utilizing specialists at a rather early stage in the game. Here again, if there is any validity to the creativity idea, then the utilization of specialists follows just as night follows day. It stands to reason that if the good Lord gave me a bit more than my share of creative talent, then He also must have given many other people extra talents in areas that could be of help to me. Enter Nat Seefurth, a man whose legal talents and interpretation of the law made it possible for us to move much faster into the areas where we could see new possibilities for new sales. Here we had someone who was highly qualified, doing the type of work for which he trained many years, and we are allowed the maximum time for the best use of our own abilities.

"To a degree, the same is true in trying to answer the age-old question of whether a good producer should go into management just because he has enough talent to become a general agent and because his company is in need of more general agents. Or, should the large producer stay in personal production and multiply his talents in that area?"

NEW -- from American Casualty -- a high limit

FAMILY

ACCIDENT POLICY

American Casualty's new TOP Family Protector Policy is a program that insures against Accidental Death — on a family basis. One policy and one premium do the job — insure mother, father and children between the ages of 1 month and 18 years. Principal sum for the father ranges from \$10,000 to \$100,000 and covers BOTH Accidental Death and Dismemberment. Insurance on mother and children is Accidental Death only, in modified limits. As an example, if the father has \$25,000 principal sum, the mother's limits would be \$5,000, with \$1250 on each child.

ONE premium covers mother, dad & children



For complete details and rates, write to the Health Insurance Department, American Casualty Company, Reading, Pa.

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FIELD GUIDANCE AS NEEDED



A demonstration, in part, of Fidelity Mutual's interest in the personal well-being of each individual representative is its Agents' Seminar Program — a giant step beyond the usual field orientation.

Each year, groups of new agents are brought to the Home Office in Philadelphia for a week of training and intensive discussion on the subjects of most importance to the newer agent.

These seminars play an important role in accounting for the high calibre, high morale, and high degree of success of our Field Force.



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**Simplifies . . .
Speeds Up
PROGRAMMING**

Complete a programming job in just one interview! Cover all loss-of-income areas including death and disability. Do it thoroughly — and still have time for selling. Wisconsin National agents are saving time every day with these streamlined new forms. Work Sheet offers complete data in "quick-reference" tables, specially developed by WNL. Summary Sheet gives prospects an exceptionally clear picture of his needs. Enjoy "success-tested" selling aids. Investigate opportunities offered by



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000 Washington Ave., Oshkosh, Wisconsin
AGENCY OPENINGS IN: Wis., Mich., Ill., Ind., Minn., Ohio, Ky.

Sells Millions By Sticking To Sales Track

(CONTINUED FROM PAGE 11)

he's personally acquainted with the prospect, and one out of four if he's not.

Routines For Every Operation

Mr. Stever has endeavored to devise and maintain routines for every operation, even complex things like analyzing an estate or planning a pension trust.

"Some of my friends have doubted that all our activities can be adapted to a routine," he said. "They say, for example, 'How can it be possible to adhere to a routine in a complicated and flexible situation like setting up a pension trust?' Well, in our office we approach each pension trust according to an established pattern. In all cases we (1) identify and qualify our prospective client; (2) determine the identity of the officer who will, in the final analysis say 'yes' or 'no' to our proposal; (3) meet him under conditions favorable to us. If the first meeting takes place in his office, we try to arrange for him to visit ours soon thereafter; (4) establish our ability to do the job, presenting an outline of the services we offer and our method of operation and calling attention to our professional staff members in the legal, actuarial and industrial relations fields; (5) present a list of references, including clients, trust officers, attorneys and CPAs.

"We find that if we always proceed in the same manner, and carefully observe even the most minute details of this pattern, we invariably succeed in building a prospect into a client. We have discovered that when we deviate from our pattern the results are not always what we want them to be."

Firm Grasp Gives Confidence

Recommending a considerable degree of specialization, Mr. Stever said: "If you have the confidence that comes from a firm grasp of what you're talking about, you can convince your prospect. You can make the sale. Whether you're an individual or a member of an organization, a degree of specialization will make you more knowledgeable, more confident, more impressive, and more progressively successful."

In building prestige, Mr. Stever said, "There's more to it than doing the best possible job for the client. For real success, we need to supplement prestige in business circles with prestige in the community at large. A most effective way to gain that prestige is to become a part of worthwhile community activities."

As for visualizing objectives, Mr. Stever started by reducing his to writing and then selling himself on them. Then, having sold himself on visualized, definitely attainable objectives, he had to measure his progress toward them. So for many years he has made it a practice to submit an annual report to himself.

Prepares Progress Report

"I prepare a formal report that points up progress for the year and highlights any failures and weak points," he said. "Then I recapitulate and set up my plans and objectives for the coming year. I commend this practice as a source of inspiration to keep striving for better things.

"There's another factor that is not formally included in my 'pattern for progress' but I sometimes think it should be. That's the matter of physical

fitness. I have a reputation for being concerned about keeping reasonably fit. I'm not a Vic Tanny about it, but I do think our daily exercise ought to include more than fishing for the olive at the bottom of the glass."

Mr. Stever said he makes it a point to try to fit in some kind of physical break every day. It's especially beneficial if he has a business meeting or some other activity in the evening. It eases off the tiredness and accumulated tensions of the day, and lets him go on to his appointment refreshed and ready.

Agents Award Goes To William S. Hendley Jr.

William S. Hendley Jr., Mutual of New York, Columbia, S.C., who is the immediate past president of NALU, has been named the first recipient of the Carroll H. Jones life underwriter of the year award by South Carolina Life Underwriters Assn.

The award, which will be given annually to the South Carolina producer deemed to have made the outstanding contribution to the life insurance business, was instituted this year by the association. It honors Mr. Jones, general agent emeritus of Fidelity Mutual Life at Columbia.

ACTUARIES A

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Eisenhower Honorary Head Of Unit Backed By Life Companies

(CONTINUED FROM PAGE 1)

the fundamental economic problems of today. The forums will give primary attention to the causes and cures of inflation but they will also go deeply into all the factors that induce national prosperity based on sound, non-inflationary economic principles.

"We welcome Mr. Eisenhower's endorsement of this program," said Mr. Palmer. "We feel sure that the public will respond strongly to our call for serious study of the foremost economic issues of our time."

Mr. Palmer said the council acts as a clearing house working for greater public understanding of "the eternal economic verities" with and through some 30 cooperating national organizations having a total membership of 22 million. Topics to be discussed on the "You and Your Dollar" forums will include the maintenance of economic freedom of choice, the need for free competition without monopoly or price fixing, thrift, self-discipline and efficiency in the conduct of government, industry, labor and the individual, the need for increased productivity based primarily on private investment, and the keeping of a balance between savings, spending and credit.

Interwoven With Sound Dollar

"Interwoven through all these issues is the central problem of maintaining the integrity of our currency," said Mr. Palmer. "Through this unique program, all citizens will be addressing themselves to this problem not as representatives of any segment of the economy or organized group but in terms of their responsibilities to the nation as a whole. By this means we hope to bring about a new understanding of the tremendous opportunity which lies before us for a lastingly sound and healthy economic growth and security."

Life insurance men on the directorate, besides Mr. Palmer, are Frederic W. Ecker, chairman of Metropolitan Life, William S. Hendley Jr., Mutual of New York, Columbia, S. C., past president of National Assn. of Life Underwriters, J. C. Higdon, chairman of Business Men's Assurance, Holgar J. Johnson, president of Institute of Life Insurance, and Churchill Rodgers, general counsel of Metropolitan Life.

Maccabees Mutual Plans \$2 Million Home Office

Maccabees Mutual Life, recently converted from a fraternal, has announced plans for a \$2 million home office building at Southfield, a Detroit suburb.

The building will be two stories, with full basement, and will comprise 60,000 square feet. Modern machine accounting and data processing operations will be provided for in specifications.

The present home office building in Detroit was sold last year, and the new building is to be ready in about 15 months.

District of Columbia Insurance Managers Assn. has elected Chester I. Soule Jr., General Accident, president; Robert L. Waters, Ohio Farmers, vice-president, and Howard M. Starling, Assn. of Casualty & Surety Companies, secretary-treasurer.

Group Life In Force Is \$173,651,000,000 At Start Of The Year

A record 40,908,000 workers owned \$173,651,000,000 of group life insurance under 168,600 master policies, and 4,360,000 persons were enrolled under 8,710 insured group annuity programs at the start of this year, according to the annual surveys of group life and group annuity coverages in the United States as reported by life companies through Institute of Life Insurance. In practically every category the figures exceeded all previous years.

Additional group life coverage amounting to \$1,783,000,000 was provided for 3,147,000 dependents of workers under 6,260 of the group life master policies at the beginning of the year. Group credit life had 36,285,000 borrowers in this country enrolled for \$25,715,000,000 of coverage written under 49,510 contracts.

Individual Coverage On Groups

Ordinary life written on worker groups not having sufficient numbers to qualify for group life accounted for \$2,251,000,000 in force on 679,000 lives. There were 86,620 such plans in effect. In 1960, plans of this sort totaling \$699 million were written on 175,000 persons under 22,030 units.

The year 1960 saw more group life sold than in any previous year, with 3,492,000 workers insured for a total of \$14,379,000,000. There were 33,360 master policies issued, mostly to employer-sponsored groups.

An additional \$266 million of group life was written in 1960 on 395,000 dependent workers, provided through 1,390 master policies. There were 130,000 persons enrolled under 990 new group annuity contracts issued in 1960. The annual income to be provided under these new plans was \$16 million and brought the total annual income to be provided under life company group annuity contracts to \$1,850,000,000 at the start of this year.

For their group life insurance and annuity programs workers and their employers paid \$2,977,000,000 in 1960, with \$1,867,000,000 allocated for premiums on group life coverages, and \$1,110,000,000 for group annuity considerations.

Record Half For United Benefit Life

Ordinary production of United Benefit Life in June was the best in history, exceeding \$39 million, and six-month sales of group and ordinary coverage set records also. Group production amounted to \$459 million, and individual sales of \$189 million represented a gain of 24%, for an aggregate of \$648 million.

LIFE DEPARTMENT MANAGER

One of the South's oldest and most progressive Multiple Line Group offers an exceptional opportunity and challenge to an experienced Life Underwriter as Manager for our Life Department and to work with brokerage accounts in introducing our exclusive Account Selling program and package policies for fire and casualty which includes life, health and accident. Prospects are already on our books. Our location in one of the finest and most progressive cities of the South. Write Z-80, National Underwriter, 175 W. Jackson Blvd., Chicago 4, Ill., giving name, age, experience and references. All replies will be kept in confidence.

FOR LEASE EXCELLENT INSURANCE OFFICE LOCATION—Springfield, Ill.

Modern 37,000 sq. ft. fully air-conditioned and sprinklered. 616-620 E. Wash. St., with private parking lot. Available about May 1st, 1962. One-half block from square—brokers courtesy. Write Harry Koiserman, Realtor, 204 No. 5th, Springfield, Illinois.

Washington National Preparing Golden Anniversary Celebration

Washington National is now completing preparations for its 50th anniversary convention at the Conrad Hilton Hotel, Chicago, Aug. 15 - 18. More than 1,000 representatives and wives from district, general and group agencies have received invitations.

Company activities preceding the convention included the introduction of 50th anniversary policies and sales material, trade journal and local advertisements, and special production campaigns.

Standard Security Life Of N. Y. Has Completed Stock Offering

Standard Security Life of New York has successfully completed its offering to stockholders of 162,000 shares of common stock. Transferable subscription warrants were distributed giving owners the right to purchase two shares for every five held at the subscription price of \$11.50 per share.

At termination of the offering period 95.6% of the shares were subscribed. Directors of the company acquired the remaining 7,132 shares. Proceeds from the sale totaled \$1,863,000.

WANT ADS

Rates—\$22 per inch per insertion—1 inch minimum—sold in units of half-inches. Limit—40 words per inch. Deadline 4 P.M. Friday of week before publication in Chicago office—175 W. Jackson Blvd. Individuals placing ads are requested to make payment in advance. THE NATIONAL UNDERWRITER—LIFE EDITION

Most Challenging and Lucrative Branch Management Opportunity in the Insurance Industry!

If you're looking for a management opportunity in insurance selling that pays off in direct proportion with your ability to produce—look here!

- (1) We start with a basic salary of \$6,000.00 per year.
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It all adds up to a yearly income that can put you well up in the five figure a year bracket, beginning after the first year you are with the company! And there's lots of room at the top—higher level opportunities with appropriate increases in income and responsibility—waiting for the right men!

Join with a young, vigorous, growing company offering the finest, most extensive line of Life, Hospital, Accident and Income policies, including non-cancellable and guaranteed renewable contracts.

We have a few branch management opportunities available for immediate appointment. Write at once with full details age, education, family status, experience. Ability to relocate important. Must be able to stand thorough reference verification. Replies held in strict confidence.

Box Z-84, National Underwriter
175 W. Jackson Blvd., Chicago 4, Illinois

HAWAII LIFE & MULTIPLE LINE COMPANY WANTS TO BUY LIFE INSURANCE COMPANIES

operating in any state, territory, or possession of U.S. Prefer to deal with principals, but will recognize brokers. We guarantee complete confidence. Will not reveal identity of company, principals, or facts revealed.

Write giving your latest financial data, type and volume of life insurance in force, premium volume, price desired per thousand insurance in force, nature & type of investment portfolio. Include copy of last annual statement to be returned if no deal develops. Will retain present management and agency forces. Reply to Z-45, National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

AGENCY RECRUITER

Well established and well regarded middle west company seeks Regional Supervisor whose primary duty will be to recruit new General Agents. Company offers fine portfolio and excellent commission contracts.

If you are looking for a permanent position with Home Office prestige and benefits, this is an outstanding opportunity.

Give full details of past recruiting experience and full details of entire Life Insurance career. Enclose recent photo, if available. All replies will be held in confidence. Write Z-83, National Underwriter, 175 W. Jackson Blvd., Chicago 4, Ill.

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Southern Texas with headquarters in HOUSTON

Please Write
E. W. "NED" MARSHALL
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GREAT NATIONAL LIFE INSURANCE COMPANY
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AGENCY WANTED

Successful Assistant Manager with experienced men desires own Agency in Milwaukee, Wisconsin. Write Z-73, National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois.

ACTUARY

Rapidly expanding pension consulting actuarial firm has opening in Chicago or Milwaukee office. Outstanding position for Fellow or Associate. Please submit a detailed resume which will be treated in strictest confidence. THE SEEFURTH-MCGIVERN CORPORATION
One North LaSalle Street Chicago 2, Illinois

Editorial Comment

Avoiding Illegal Practice of Law

The possibility that the Oregon courts may go unwarrantedly far in restricting the estate planning activities of life agents points up the sometimes shadowy borderline between what a layman may legally do and what constitutes the unauthorized practice of law. In the Oregon case, involving Executive Estate Planners, Inc., of Portland, and its proprietor, John H. Miller, Assn. for Advanced Life Underwriting is taking an active interest, so as to safeguard life agents in those areas of estate planning that may properly be handled by laymen.

Various statements of guiding principles are in existence to help keep agents on their own side of the line without tying their hands completely. Nevertheless, it is not always an easy matter to decide when an agent or a trust company is getting over into the domain reserved by law to the lawyer.

The problem really is not the occasional agent who gets over the line in the mistaken notion that he is clearly on his own side of the fence. The real problem is that quite a number of life agents specializing in the more advanced forms of estate planning actually know more about what to do in certain types of situations than the typical general practitioner of law. It is somewhat like the situation in the army or navy, where a

veteran sergeant or a chief petty officer knows more about the specific situation than the commissioned officer who outranks him. The commissioned officer in such situations can make a lot of needless work for himself by trying to ignore what more experienced subordinates are aware of.

How to handle this delicate type of situation where the principals are of equal rank but in different professions is much more of a problem. Diplomatic agents can often contrive to let the lawyer know what he needs to know about a case—but not when the client is on the scene. Unfortunately, some lawyers are too stiff-necked to welcome such advice.

Perhaps one way to avoid the accusation of giving legal advice would be for the agent to provide his client with a list of questions tied in with his life insurance advice. For example, the proposal submitted by the agent might say something like, "If this course is followed, you should of course consult with your lawyer to make sure that the following points are covered." This would alert the lawyer to points that he might not have thought of on his own, yet would not embarrass him by having his unfamiliarity with such information made obvious to the client. —R.B.M.

Working For A Sounder Yankee Dollar

It should be welcome news to life insurance people and all others interested in the fight against inflation that former President Eisenhower has agreed to serve as honorary chairman of the Council for Economic Growth and Security.

The council, which gets most of its financial backing from life companies, is dedicated not only to fighting inflation but to promoting economic growth through the following of sound principles. This is an uphill fight, and the council will need all the help it can get. There is no great difficulty about selling the idea of sound principles—as an

abstract concept. The problem comes when some specific action is under discussion. Perhaps it's at the local level, like spending twice as much for a new school as needs to be spent for facilities that would do the job just as well but not in quite so lavish a fashion. Maybe it's a national project, like providing "free" health care for everybody via social security.

People like to believe it's possible to get something for nothing. As everything that is done becomes a bigger and more complex operation, it gets easier to become pleasantly oblivious to the fact that extravagant spending on

a big scale is just as silly as for an individual to spend beyond his income, and then pay off his debts by borrowing.

Few people like to face these hard economic facts, just as few people like to consider realistically the needs of their dependents in case of the breadwinner's death. The Council for Economic Growth and Security is seeking to supply understanding where it must exist if the "something for nothing" and "pie in the sky" type of thinking is to be supplanted by common sense. There is plenty of propaganda being put out by the social planners. It's good to know that there's an organization working to educate people to a sounder way of operating.—R.B.M.

fice as assistant to the president and the following year was made senior vice-president.

Mr. Dickenson is an authority on retirement and welfare plans, served as chairman of the New York City Invest-In-American Committee, was chairman of the private firms division of the Greater New York Fund, and a member of the board of directors of National Council on Alcoholism.

Merle A. Gulick, vice-president public relations and personnel, who will replace Mr. Dickenson, joined Equitable in 1928 as a service supervisor, became general manager of the group department, was appointed 2nd vice-president in 1950 and vice-president in 1952. In his new post he will have general supervision of advertising, publications, press relations and the personnel department.

Personals

Horace W. Brower, president of Occidental of California, has been named to the newly organized Citizens Advisory Council on Postal Operating Matters. The council is part of Postmaster-General Day's improved mail service program.

W. D. Grant, president of Business Men's Assurance, has been elected chairman of the board of trustees of the Conservatory of Music of the University of Kansas City.

Melville P. Dickenson, senior vice-president of public relations and personnel Equitable Society, who will retire Sept. 1, is the son of the late president David S. Dickenson of Security Mutual Life of New York. He entered the life insurance business as an agent

Deaths

HENRY W. FOUTS, 67, former director of education and training of

Bankers of Nebraska, died at Lincoln. He started with the company in 1927 at Omaha and became general agent at Clarinda, Ia. He subsequently became superintendent of agencies and from 1945 until his retirement in 1958, he headed the education and training division.



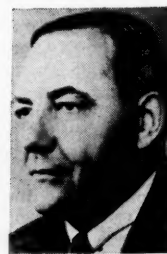
Henry W. Fouts

Dr. RICHARD L. WILLIS, 68, former chief medical director and vice-president of Mutual of New York, died at his home in Mountainside, N.J., following a long illness. He had been with the company 35 years, the last 10 as medical director, and retired in 1958. He was president of Assn. of Life Insurance Medical Directors in 1954.

WALTER W. WEBER, 72, who retired as district manager of Equitable Society at Muskogee, Okla., in 1950, died.



Merle A. Gulick



M. P. Dickenson

of New York Life and later became head of the group department of Prudential. After some years in investment banking he joined Equitable as an agent at Philadelphia in 1937. Two years later he became manager there. In 1955 he was sent to the home of-

Stocks

By H. W. Cornelius of Bacon, Whipple & Co. 135 S. LaSalle Street, Chicago, July 18, 1961

	Bid	Asked
Aetna Life	125	127
American General	62½	64
Beneficial Standard	32½	34
Business Men's Assurance	77	78
Cal.-Western States	92	97
Commonwealth Life	41	43
Connecticut General	277	284
Continental Assurance	191	196
Franklin Life	122	125
Great Southern Life	92	Bid
Gulf Life	32	33
Jefferson Standard	66	68
Liberty National Life	76½	80
Life & Casualty	23½	25
Life of Virginia	95	97½
Lincoln National Life	148	153
National L.A.	180	186
North American, Ill.	22½	23½
Ohio State Life	53	57
Old Line Life	69	Bid
Old Republic Life	23	25
Republic National Life	69	73
Southland Life	133	138
Southwestern Life	100	104
Travelers	142½	146
United, Ill.	56½	58
U. S. Life	77	79
Washington National	77	82
Wisconsin National Life	42	Bid

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Comments On The Insurance Field From The Investment Dealer's Chair

By LEVERING CARTWRIGHT

Cartwright, Valleau & Co., Board of Trade Building, Chicago

Aetna Insurance put on a one-man show in the fire-casualty stock list last week, spurting 8½ points to close Friday at 124 bid. Otherwise the heavy play continued to be in the life field. Leaders there continued to plunge ahead. Large blocks were hunted. Trading positions of the professionals were cleaned out and bidding was aggressive. Many issues were strictly on the bid side, with no stock offered. This was true for instance of Provident Life & Accident and Security Life & Trust. There was a search for stocks that had not moved up proportionately to the rest of the list and were selling at more modest multiples of earnings and more closely to net worth. The ready supply of these was soon exhausted and they went on the bid side. For instance Wisconsin National Life at less than net worth and 15 times earnings was wanted in quantity at 40. A Milwaukee firm circularized owners bidding 70 for Old Line Life.

Gulf Life was heavily bought and ran up to 32½ bid Friday. This comes close to the price of 34% that the Murchison brothers contracted to pay for 16% of the stock of Gulf several years ago when the market on Gulf was 25 and when the federal income tax issue was haunting the life stock market. This caused many a gasp at the time but the Murchisons had serene confidence in the compounding power of life insurance and that time would not only make them well but let them rejoice.

Another purchase that time and compounding have now justified in the market is that of the 52% of Northwestern National Life by Nationwide Corp. Nationwide Corp. paid as high as \$103 per share for control stock several years ago. Subsequently the free stock of Northwestern National sold down into the 60s. Now the stock is 112 bid and scarce. Nationwide Corp. closed last week at 35. Its low for this year was 28 and the high was 40.

Incidentally, the New York Times July 16 ran a personality study of Murray Lincoln, head of Nationwide Corp. and the Nationwide insurance companies (control of Nationwide Life is held by Nationwide Corp.). The author refers to Mr. Lincoln as "the 69-year-old dynamo, who also has been described as a combination of evangelist and shrewd Yankee trader."

North American Life of Chicago was aggressively accumulated. A fund, it is said, acquired several thousand shares. The Illinois Co. advertised a study on it. This is in a popular price range and it closed Friday at 22 bid, up 3 for the week. Also stimulating to the market was a letter from the management reporting that June sales were \$10 million, an all-time record.

Great American Life Underwriters for the second successive week added 100 points and went out Friday at \$1,600 bid. Franklin Life, of which it owns control, was up 14 for the week. Continental Assurance gained better than 20 points. B.M.A. was up 5, Connecticut General 22, Jefferson Standard 2, Lincoln National 12, Monumental 7, Travelers 12, U. S. Life 4½. Transamerica came to life and was up 3. California-Western States gained 8.

Besides Aetna Insurance, gainers in the fire-casualty list were Employers Group, plus 4; General Reinsurance, 6, Phoenix, 2½ and St. Paul, 2½. American Insurance lost 3 points of its recent fast runup. Fireman's Fund, Hartford and National Union were lower.

A. M. Kidder & Co. released its "Comparative Study of Life Insurance Companies" penetratingly prepared by K. D. Weed.

Especially combed over was the table giving bid price 6/7/61, adjusted earnings, price times earnings, indicated net worth, price times net worth. Fanciest item on a price times basis was Continental Assurance at 47.26. Since then the market has advanced 40 points and the multiple was 60. Next was Government Employees Life, on June 7, 47 times and now with the market at 110 (up 25 points), the ratio is 60 times. Lowest multiple on June 7 was Monumental Life at 11.62, then came Great Southern 11.93, Northwestern National 12.06, Southland 13.05, Volunteer State 13.13, Mass. Indemnity 13.15.

On a price times net worth basis the multiple ranged from 8.92 for Government Employees to .89 for Wisconsin National. Mr. Weed says in his preface:

"We adhere to the opinion that life insurance stocks are reasonably valued when they sell from approximately 15 to 20 times net operating earnings adjusted to include a value for the annual gain in insurance in force, and at approximately 1½ to 2 times indicated net worth which includes an estimate of the value of insurance in force. It is reasonable that stocks of companies showing better than average gains in earnings, capital funds, and insurance in force will sell at somewhat higher multiples. This will be especially true when the greater than average gains are attributable to increased writings of whole life and endowment policies rather than the other less profitable forms of insurance.

"However, at the present time, the stocks of some companies which have relatively small capitalizations, which follow a policy of declaring small stock dividends nearly every year in preference to larger ones at less frequent intervals, and which have shown percentage-wise substantially greater than average gains in insurance in force, are selling from approximately 30 to 50 times adjusted earnings and at approximately 4 to as high as 9 times indicated net worth. In our opinion, these stocks are too fully priced and should be sold in favor of the purchase of more reasonably valued issues.

"We also, as a general rule, look with disfavor on the purchase of stocks of relatively young life companies. During the last ten years the number of life companies in the United States has more than doubled, and there is keen competition for available business. It requires several years for a new life company to build a sufficient volume of insurance in force to assure profitable operations and during this period additional offerings of stock are usually necessary to maintain capital funds and reserves.

"It is our opinion that over the longer-term holders of the highly regarded stocks of the leading, well established companies which generally sell at reasonable multiples of earnings and net worth will be fully rewarded."

Life Companies Inc. has made a penultimate distribution to stockholders of

\$2.77 per share. Previously there was a \$10 payment in liquidation. A residue has been retained for taxes and claims and from this there may be a final payment to stockholders of as much as \$1. The proceeds came mainly from the sale of Atlantic Life to Southwestern Life. Earlier, Life Companies had distributed one-quarter share of Lamar Life for each share of LCI. The market on Lamar last week was \$56, so on that basis the LCI stockholder may have realized nearly \$28 per share. In 1955 there were offered to the public 340,000 shares of LCI at \$18 and there were subsequently stock dividends totaling 17%.

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Shelby Cullom Davis in a recent letter states that the Atlantic Life sales price was 10.6 times 1960 adjusted earnings. He also estimates that the price represents a payment of about \$23 for the insurance in force, 95% of which was ordinary. Mr. Davis thinks Southwestern made a very advantageous purchase. Negotiations were being conducted before 1960 results became known and on the basis of 1959 figures the price looked higher. For example the price paid for insurance in force would have been about \$30 per thousand. He says that Southwestern is raising the \$29 million purchase money internally and it is expected that this will have been generated before the year is out.

Many of the professionals continued to be cautious, especially as they noted mounting public appetite for the life stocks. There was fear that unsophisticated investors might commence simply buying numbers without reference to actual earnings and reasonable prospects. Of course many of these tend to run scared, wondering where the buyers will come from when and if the market turns sellers. The professional trader likes an active but steady market with buyers and sellers in balance. He often misses the big moves.

Investors Variable Payment Fund Inc. increased its holdings of B.M.A. from 35,000 to 43,750 shares and Liberty National Life from 20,000 to 26,666. These came about by virtue of stock dividends.

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Crum & Forster announced a proposal for a 100% stock dividend and the stock moved up 4 points to 98 bid.

American Druggists Insurance had 1,200 shares of its stock to offer at \$70 to its present stockholders. This was quickly taken up. This came from a selling stockholder.

Moody's Stock Survey July 17 listed Insurance Company of North America and Security Life and Trust among six "stocks promising for long-term growth."

The Commercial and Financial Chronicle July 13 had a writeup on Travelers Insurance, estimating that the 1961 earnings for the group should reach \$9-\$10 per share.

73% Of U. S. Had Health Insurance In 1960

(CONTINUED FROM PAGE 1)

gain of 10.1% over 1959.

The council said that, based on early 1961 trends, it estimated that as of June 1 some 134 million persons (74% of the civilian population) had expense coverage, 123 million had surgical, 89 million regular medical expense, 31 million major medical, and 42.5 million loss of income coverage or some other formal sick leave pay arrangement.

The council said these figures also reveal the breadth of health insurance coverage. As of June 1, 92% of persons with health coverage had both hospital and surgical insurance, and 66% had hospital, surgical and regular medical expense coverage. Five years ago the figures were 85% and 52%, respectively.

A breakdown of the number of persons with health insurance at the end of 1960, by type of coverage and type of insuring organization, reveals that hospital expense insurance was provided by private insurance companies to 78,885,000 people, by Blue Cross-Blue Shield and similar plans to 58,050,000, and by other health care plans to 5,542,000. After deducting persons covered by more than one insuring organization, the council reports that 131,962,000 people had hospital insurance, a 3.2% gain over the year-end 1959 figure.

Surgical Coverage

Surgical expense coverage by private companies covered 75,305,000 persons, by Blue Cross-Blue Shield and similar groups 50,281,000, and by others 6,573,000. Allowing for duplication, 121,045,000 persons had surgical coverage, a 3.5% gain.

Regular, or first dollar, medical expense coverage accounted for 45,017,000 persons covered through Blue Cross-Blue Shield and the like, 41,312,000 through private insurance

companies, and 6,773,000 through other plans, for a total, eliminating duplication, of 87,541,000 persons, a 6% increase.

Major medical coverage through private companies increased 25.6% to 27,448,000 persons. Loss of income coverage had been written on 31,836,000 persons by private companies. The number of persons who work where there are formal sick leave arrangements brought the total figure to 42,436,000 persons.

Robert Lawrence Elected Head Of N. J. Association

Robert Lawrence, Metropolitan Life, Irvington, has been elected president of New Jersey Life Underwriters Assn.

Other officers elected were Arthur Wood, Sun Life of Canada, Paterson, executive vice-president; Joseph Wasserman, Franklin Life, Jersey City, treasurer, and Edward M. Levie, Midland Mutual Life, secretary.

Regional vice-presidents elected were Jay L. Kaplove, Prudential, North Bergen, for north New Jersey; Forrest Reifsnider, Prudential, North Brunswick, for the central area; Douglas Murray, Prudential, Lakewood, for the shore area, and Sanford Reiser, Sun Life of Canada, Vineland, for south New Jersey.

Oklahoma Adopts 1958 CSO Table

The 1958 CSO mortality table has now been approved by the legislature of Oklahoma, the 49th state to give legislative approval to the new table. The only remaining state, Mississippi, did not have a legislative session this year.

Ordinary sales of Northwestern National totaled \$18,542,000 in June, \$200,000 ahead of June, 1960.



Jack fell down and broke his crown
And Jill came tumbling after

Sounds somewhat improbable but then that's the nature of accidents—improbable, unexpected, difficult to reconstruct. And aren't there a lot of them! More than 20 serious accidents a minute, on the record.

Are the Jacks and Jills and Moms and Dads in your community protected against the shower of hospital and medical bills that follow accidents? They should be. A Travelers field man will be happy to help you set up an Accident solicitation program.

The Travelers was the first company to write accident insurance in America. Today, the Company offers a wide array of up-to-date Accident, Sickness and Hospitalization contracts.

And they back up every policy with 4,310 experienced claims people in more than 287 locations throughout the U.S. and Canada.

We'll be happy to tell you more about The Travelers contracts and the opportunities open to you. Call the nearest office or general agency for details on all forms of Travelers Health insurance.



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